the Freeman

Ideas on Liberty

JULY 1969

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top of Berkeley's hills
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to impart our social skills.
Social engineering triumph,
managers of every kind
Let us all with drills and homework
Manufacture human minds!

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TOM ROSE

THE FREE MARKET

What it is . . . What it implies

THE ATTRACTING POWER of right ideas never ceases to amaze me! Recently a student approached me after a particularly stimulating class discussion in Economics. "Sir," he said, "this thing you call the 'free market,' will you please explain it for me in more detail?"

The person standing before me was a young man from Lebanon. He had recently enrolled in our small college. He said he had never before heard the term "free market" and it interested him.

I chatted with him as I gathered up my lecture materials, quickly outlining in broad sketches the essential ideas behind the philosophy of individual freedom and responsibility. And as I did, something unforeseen happened!

The young man's eyes lit up, his face literally shone, and he exclaimed, "Why, it's beautiful! This is exactly what I am looking for!" Then he went on to share with me the dream that brought him to America. He and his compatriots back home hope to develop his nation into a land of "milk and honey" that will shine as a beacon of moral and economic success to the whole world, that other nations might follow.

Needless to say, what started out as a casual explanation on my part quickly developed into something much more exciting. Two hours passed almost unnoticed, and our conference had to terminate because of another engagement. But it did not end until the searching scholar was given some tools that would enable him to pursue his beckoning star. He left with some carefully selected books and

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suggested readings with ideas that might help light the way for him and his countrymen toward personal and national greatness.

History has proven, with America as her most shining example, that right ideas held by men of vision and integrity can quickly build underdeveloped nations into economic giants that richly bless the world. Thus is the attracting and motivating power of right ideas! When sowed at an opportune time in a friendly climate, they germinate very quickly.

The Free Market Defined

The concept of the free market is not difficult to understand. Like all good things in life, it is simple and basic if approached in the right way. The free market is simply the voluntary exchange of goods and services between free individuals. It is as simple and as basic as that!

Why, then, all the confusion and contention as to the relative merits of free market voluntarism versus the compulsory exchange of the welfare state, socialism, fascism, and communism?[1] In my opinion, the confusion arises because of a failure to understand the basic concepts and relationships that are involved. For instance, we should recognize that the free market, in essence, is not really a system at all. The word "system" connotes an *a priori* planned scheme or method of doing things, and the free market is not a planned system in this sense. Rather, the free method of facilitating exchange is a natural aggregation of human interactions which result from a process of growth *due to the nature of man.* It was not, and could not, be planned by any finite being. It is too big, too all-encompassing, and too perfect to be the handiwork of mere man. In short, the free market is what *it* is because man is what *he* is.

Man Is Free by Nature

The Founding Fathers of America recognized that man is free by nature, and they stated this fact in the Declaration of Independence. In so doing they uncovered once again the moral base of cooperative society which had largely been obscured for thousands of years. Their declaration reiterated man's inherent right to be free and self-responsible before God and in relation to his fellow men. Their declaration re-echoed the cry of Moses some 3,000 years earlier when he stood before the

[1] Many scholars differentiate between the welfare state, socialism, fascism, and communism. In essence, they are all the same. They all depend on coercion rather than voluntary persuasion to induce exchange. A resisting citizen in any of these totalitarian states will end up either dead or in jail.

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Egyptian Pharaoh and said, "Thus saith the Lord, let my people go that they may serve me!" (*Exodus* 8:1)

The essence of man's free nature can be ascertained in two ways. First, it can be seen in the Bible, and this is sufficient for those who accept the Bible as the inspired word of God. The signers of the Declaration of Independence understood and accepted the revealed truth that man was created a free moral agent and thus, by nature, is and has a right to remain free and self-responsible. The above verse from *Exodus* is just one of a number that can be cited to verify man's right to and responsibility for self-direction.

A second way of ascertaining the same truth is through empirical evidence. It should not take an alert person very long to observe that man is free by his very nature.

The discovery by Carl Menger that value is an *imputed* quality rather than an *inherent* quality of a good served as an important milestone in the accurate understanding of man's thought processes and, thus, to an understanding of his free nature. As a result of Menger's work, we are now able to see that value cannot be measured objectively. We cannot determine the value of a pie, for instance, by how many man-hours went into producing it. If we could, then mud pies might be worth more than cherry pies!

If such objective measurements could be used to determine value, then the produce of a group of inefficient workers would certainly be more valuable than that of an efficient group because it took longer to make. If you had the pleasant task of choosing between two seemingly identical new automobiles, would you pay more for one because it had more labor costs in it than the other? Not by a long shot! Studebaker got out of the automobile manufacturing business because consumers do not measure value objectively by the amount of labor costs invested in products.

The objectively measured labor theory of value was one of many false concepts that Karl Marx accepted. And his mistaken concept naturally leads to the denial of an important facet of man's free nature: that each person can and does establish value according to his own unique and wholly subjective scale of measurement.[2] And exactly what this scale of measure-

[2] This truth is well stated in a different way by Leonard E. Read in his book, *The Coming Aristocracy*, page 62. "The extent of one's orbit is not self- but other-determined. Others, not I, decide whether they are in my libertarian orbit. I have nothing whatsoever to do about the matter except to strive for and attain some measure of excellence."

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ment is, no one knows for sure – perhaps not even the person who applies it – because his scale is constantly changing from moment to moment.

Totalitarian societies develop when those in political power insist upon overruling the individual value judgments of the very citizens they are supposed to serve. It is upon this denial of man's basic nature – of his right to hold his own subjective opinion – that all forms of socialism/communism rest. And this is why socialism/communism cannot possibly succeed in the long run, even in the mild form currently known as the "welfare state."

Necessary Elements of Free Exchange

If man is free and self-responsible by nature, what then is needed for the free market to exist?

Let's remember that the free market, by definition, is the voluntary exchange of goods or services between free individuals. Thus, to be more accurate, we should ask what is needed for *a* free market to exist rather than *the* free market, because *the* free market is simply an aggregation of many independent voluntary exchanges.

Physically, all that is needed for voluntary exchange to take place are:

Two individuals
Two goods

But metaphysically, much more is needed! In addition to two people and two goods, there must also be:

A recognition of and respect for the concept of private property.

A difference in opinion as to the relative worth of each good.

Mutual willingness to engage in exchange negotiations.

Joint freedom to engage in exchange negotiations.

Respect for the other person's right to be guided by and to act upon his own personal value judgment.

In summary, then, at least seven ingredients are basic to voluntary exchange. If any one is missing, exchange either will not take place or, if it does, then the exchange will not be voluntary:

If property is to be exchanged, the owner and trader must be able to give clear title.

If both parties value each good equally (i.e., if they fail to disagree as to what each good being traded is worth), neither one would be motivated to engage in the necessary barter that must precede agreement to exchange. The lack of profit would not warrant the effort involved.

If either party lacked the willingness of freedom to trade, free exchange, obviously, would not take place.

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If each party did not respect the other's right to be self-guiding, there would be a tendency for one to impose his will upon the other. (This could take place by overt direct coercion, which is generally illegal; or by a more insidious form of indirect coercion, which often is legal but just as immoral as legal coercion.)

The only difference between the two types of coercion is that one is "honest illegality" while the other is "dishonest legality." For instance:

- In case #1, A wants B's money. Being a believer in direct action, A risks public censure by robbing B at the point of a gun. Everyone recognizes the wrongness of his act, even A. This is "honest illegality."
- In case #2, C wants D's money, but he is unwilling to risk public censure in the event he gets caught in the overt act of robbing, so he turns to a more devious method. He turns to "dishonest legality." C persuades government legislators of his need, and they pass a tax law that legally transfers money from D's pocket to C's pocket. If D refuses to pay the tax collector, another agent of government (a policeman) will knock on D's door and force him to pay or put him in jail.

There is no doubt at all that D's "dishonest legality" is less risky and more effective than A's "honest illegality." The only unanswered question is the effect, if any, that the breaking of the moral law might cause. But parties to "dishonest legality" are generally blissfully unaware that they have done anything immoral (or at least they think that immoral ends achieved through the agency of group action can escape punishment.) Thus, we see that any exchange that does take place through coercive action (either direct, or indirect) benefits one party at the expense of the other.

Can the Free Market Disappear?

Some lovers of freedom become apprehensive about the rising tide of socialist/communist ideology throughout the world (including our country). They see the trend of encroaching government intervention and they imagine the day when what is left of the free market system will be gone.

In the short run, this rising encroachment on liberty is worthy of concern, but in the long run it is not. By saying this, I do not mean that we should give up natural liberties willingly or without resistance. I personally do not give ground without contesting each step of the way where the principle of individual liberty and responsibility is concerned. I, too, can visualize Orwell's 1984, but I worry not one moment about the possible loss of the free market, because it cannot happen!

The free market may be restricted and encroached upon by all

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who will stoop to the "honest illegality" of direct coercion or to the "dishonest legality" of indirect coercion, but the free market cannot be eradicated. The free market cannot be eradicated because *it exists in the heart of man;* it is in his nature. Wherever two men are, the free market exists potentially if not actually. It may be dormant, but it will bloom into mutual profitability upon the slightest recession of coercion.

Does this mean that we need not concern ourselves with continuing to expose and resist the ideas of those who are ever-ready to inhibit voluntary exchange? Indeed not! Neither does it mean that we should relent in sharing the good news of the free market philosophy with any who might be attracted to it. Rather, it means that we should view the challenging prospects for individual freedom and responsibility with courage and assurance. The free market comes into being naturally because man by nature is free. In the long run, the nature of man assures success in our attempt to foster voluntary exchange because that is the way God made him. In the short run, let us roll up our sleeves and apply ourselves conscientiously and creatively to the stimulating avocation of helping others find and understand the motivating power of freedom. ◈

IDEAS ON LIBERTY

Get Out or Get in Line

IF you work for a man, in Heaven's name *work* for him. If he pays you wages which supply you bread and butter, work for him; speak well of him; stand by him and stand by the institution he represents. If put to a pinch, an ounce of loyalty is worth a pound of cleverness. If you must vilify, condemn and eternally disparage – resign your position, and when you are outside, damn to your heart's content, but as long as you are part of the institution do not condemn it. If you do that, you are loosening the tendrils that are holding you to the institution, and at the first high wind that comes along, you will be uprooted and blown away, and probably will never know the reason why.

ELBERT HUBBARD

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The Bent Ruler

—or Civic and Moral Responsibilities of the Engineer

JOHN R. GEARHART

OF ALL people who should not be T. S. Eliot's "hollow men"—with "head-pieces filled with straw"—it is America's engineers. Our gray matter contains a thorough knowledge of our technical field and at least a smattering of the humanities. The theoretical must withstand constant testing in practical application; balance is thereby obtained between dreams and performance of the possible. It should follow naturally that as we translate highly technical knowledge into everyday scientific progress, we feel an interest and obligation to become involved in civic and governmental affairs—local, state, and national.

We can hardly be unaware that the time of America's greatness may be running out. Within 200 years, with only 7 per cent of the earth's surface and 6 per cent of the world's population, we have become among the richest, most powerful nations in history. The rising cycle of courage to liberty to abundance, however, has been replaced by the downward curve of selfishness to complacency to dependency. We should be reminded of Spengler's dire predictions of the West's decline and Arnold Toynbee's observation that 19 of our 21 leading civilizations died from internal weakness and decay.

Our Founding Fathers anchored in our country's documents the great principles of civilized man and his heritage. They created a "Republic"—not a "Democracy." Our pledge of allegiance states "and to the Republic for which it stands." Democracy, ultimately,

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could become mobocracy, wielding tyranny as suffocating as that of any monarch or dictator. Leaders were to govern as little as possible; they were to be the servants of the people, not lords over them. Checks and balances were developed with care and pain, and local responsibility and public opinion were counted upon to restrain excess popular feeling. There was firm agreement with Thomas Jefferson that citizens be "bound down from mischief by the chains of the Constitution." In our present age of analysis, criticism, and dissent, however, it is well to remind ourselves that, though the American system is not perfect, it may well be the best man has yet conceived. Common sense, therefore, indicates that its destruction, or even the erosion of its effectiveness, could be dangerous indeed.

In recent years, the doctrine of objective values (validity of "right" and "wrong") has given way to one of "situation ethics," in which truth is relative. Arthur Sylvester will probably be remembered as the man who informed the American public that government has the right to lie. News media speak freely of "credibility gaps." Pushed to a logical conclusion, any act, even murder, could be justified. It is not surprising that in this period the "Death of God" advocates proclaim loudly that man is now unshackled and free, free to fashion his own destiny. From an engineering standpoint, the situation is akin to beginning a construction assignment with deformed tools—a broken transit or a bent ruler; and once accepted, this doctrine means man's ultimate standard can be no higher than his inaccurate, highly fallible human nature.

Order, Justice, Freedom

Order, justice, and freedom should stand uppermost in our philosophy of government. Order must exist first, or proper functioning is impossible; a government's first duty is to assure the safety of its citizens. Recent disorders in our society were aggravated when officers of the law were deterred by Supreme Court rulings such as the Mallory and Escobedo rules, were asked to stand by during looting, and were subjected to continual taunts of "brutality." Mass disrespect for law and peace followed. Violence, of course, is not the citizen's proper approach to reform. Instead, it is a step backward from channels of debate, voting, and legal action. When internal restraints break down, police have no alternative but force.

We hear much of our "arrogance of power" internationally, but either pure pacificism or anarchy

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would leave nations or individuals at the mercy of unscrupulous power. It is high time our youth learned something about the greatness of our nation. Otherwise, as evidenced by the weakness of our draftees taken prisoner during the Korean War (most American soldiers succumbed to the enemy's will), and now again in full bloom with the Vietniks, the time may come when no values are left.

Justice refers to equal treatment under the law. It is imperative that the majority, the average citizen, and the taxpayer be not forgotten in the current hurry to favor the minority, the criminal, and "the poor." Justice is rightly depicted as a goddess with eyes blindfolded or closed. She holds a sword, or scales, or both. Her function must often include punishment.

Freedom is also currently in jeopardy. If man is not free he is not responsible; if he is not responsible he is not moral. Order without justice or freedom is tyranny, but freedom without justice or order is anarchy. In the same way, much so-called academic freedom is license. To maintain freedom is not easy, and it is highly questionable whether most men, deep in their hearts, are willing to pay the price. Napoleon Bonaparte was welcomed by the majority of the French.

Why did I not include equality, one of the great cries in the French Revolution and now heard increasingly in our country? Because we can be realistically equal only in the sight of God and law. True equality is impossible without coercion. Forced integration in our schools has been far from successful. Increasing loads and additional types of taxes constitute forcible redistribution of wealth; a point is being reached where thrift is punished and sloth encouraged. When people demand a "right" to be equal, they frequently forget that others have "rights" too.

Anchored in Reality

The engineer should be a creative professional. He applies his skill and knowledge to the study and analysis of problems and develops solutions which generally prove worthy well into the future. He is a link between technology and human endeavors, so he cannot lose sight of the social structure in which he and other men function and live.

Engineers usually prefer individual initiative—the free-enterprise system—instead of the welfare state; in fact, they enjoy responsibility and competition, fundamental qualities in maintaining our Republic. Honor and integrity have become well enough

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ingrained in their thinking so that it is easy for them to understand the necessity of similar attributes in a nation. It is obvious that false sentimentality must be distinguished from valid compassion, that emotion and propaganda must be distinguished from clear thinking.

Apathy and complacency do not achieve order, justice, and freedom. "Every good and excellent thing," wrote Thornton Wilder, "stands moment by moment on the razor edge of danger and must be fought for." The unique talents of engineers are needed not only in their chosen fields but to help restore basic principles and common sense to our country. The ruler seems bent indeed. Let us straighten it and use it! ◈

The Minimum Wage

To make a horse drink
It is foolish to try;
It's fully as hard
To make customers buy:
So, when prices are raised
By law or decree,
That sales will fall off
Is as sure as can be;
And if minimum wages
By commission are set
Above what the worker
Would naturally get,
Those worth the money
Alone will be hired,
While the lowest-grade labor
Will surely be fired,
And the jobless will sit
And wonder all day
Just what they have gained
From the high legal pay.

WILLFORD I. KING, *Economics in Rhyme*

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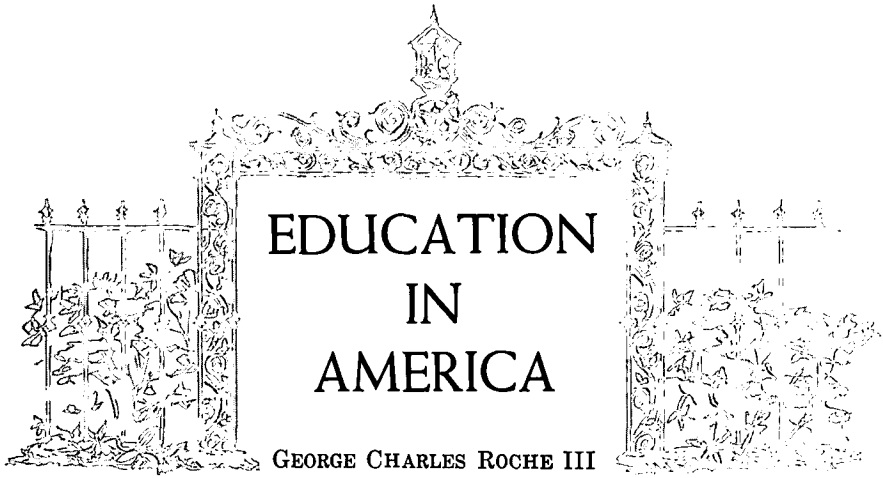

10. Revolt on Campus

NO OCCURRENCE in contemporary society has attracted more attention than the turmoil in our colleges and universities. The uproar has been accompanied by a rash of hand-wringing and soul-searching; education, the shibboleth of modern America, seems to be disintegrating. When the answer to all problems itself becomes a problem, where does one turn?

For a start, we might examine the psychology of the leadership likely to arise in a revolutionary atmosphere. If we can understand the motivation behind a movement, we should be well on the way to understanding the movement itself. Who is likely to be in the vanguard of an attempt to remake society?

A man is likely to mind his own business when it is worth minding. When it is not, he takes his mind off his own meaningless affairs by minding other people's business.

This minding of other people's business expresses itself in gossip, snooping and meddling, and also in feverish interest in communal, national and racial affairs. In running away from ourselves we either fall on our neighbor's shoulder or fly at his throat.[1]

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[1] Eric Hoffer, *The True Believer*, p. 23.

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Those who are successful in the affairs of this world tend to be attuned to the reality of *life as it is,* thus disqualifying themselves for visionary leadership. Conversely, in Eric Hoffer's words, "Failure in the management of practical affairs seems to be a qualification for success in the management of public affairs. . . . [Some men] when suffering defeat in the practical world do not feel crushed but are suddenly fired with the apparently absurd conviction that they are eminently competent to direct the fortunes of the community and the nation."[2]

Do the outpourings of a Mario Savio represent the pursuit of power as a means of personal fulfillment? Could the romance of revolution at least partially be explained as an escape from a sense of personal inadequacy? Does the constant escalation of radical student "demands" suggest that men run farthest and fastest when they run from themselves?

When men or nations get tired of dodging fundamental questions in a multitude of distractions, they turn to a search for something else that will, so they suppose, give them the sense of significance which they know they lack. This does not necessarily mean, however, that in sophistication they learn wisdom. If they remain adolescent in their approach to life they are frequently tempted to seek meaning for themselves and for their nation in terms of coercive power. They develop a Messianic complex. They seek to live other people's lives for them, ostensibly for the good of those other people but really in the hope of fulfilling themselves. They set out to attain greatness by imposing their supposedly superior understanding upon some man or nation who is less perceptive.[3]

Self-control

Irving Babbitt perceived long before most men that modern education was moving down a dangerous path. He noted some 40 years ago that in response to a questionnaire a majority of women's college graduates had rated love of humanity a higher virtue than self-control. Commenting that such a view of human nature might be pardonable in a young woman just out of college, he asked, "What are we to think of our present leaders of public opinion who apparently hold a similar view? Let a man first show that he can act on himself, there will then be time enough for him to act on other men and on the world."[4]

The lapse of self-control in favor

[2] *Ibid.*, p. 74.

[3] Bernard Iddings Bell, *Crisis in Education,* p. 20.

[4] Irving Babbitt, *Literature and the American College,* p. 47.

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of the "humanitarian" view of life partially explains how the dreamer of utopian schemes menaces civilization. While all such revolutionaries share a willingness to destroy the existing order, their ideas of what should be erected in its place tend to vary from vision to vision, reflecting not merely a pipe dream untouched by reality, but a series of pipe dreams as unstable as the personality of the dreamer. Once self-control is abandoned and reality rejected, all that remains are half-formed, bizarre visions of typically unfulfilled revolutionary personalities. Such fuzziness in goals, such lack of personal fulfillment within the existing order, are both evident in the rhetoric of the New Left.

However fuzzy the goals of the New Left may be as to detail, these revolutionaries always envision a future in which the collectivity is endowed with unlimited sovereignty over the individual, all in the name of "social utility." For all the discussion of "freedom," today's campus radicals are quite willing to apply massed force and harassment to intimidate anyone with the temerity to hold opposing views.

They who clamor loudest for freedom are often the ones least likely to be happy in a free society. The frustrated, oppressed by their shortcomings, blame their failure on existing restraints. Actually their innermost desire is for an end to the "free for all." They want to eliminate free competition and the ruthless testing to which the individual is continually subjected in a free society.[5]

This distrust of freedom, this unwillingness to allow others the free expression of their ideas, is woven into the fabric of modern intellectual life. One would be hard put to remember a time in American history when intellectuals were less tolerant than now of one another's ideas. Denunciation, not debate, seems the order of the day. As the Chancellor of the New School, Dr. Harry Gideonse, has remarked, "A few short years ago, anti-intellectualism was an epithet of derogation. Today it is an expression of revolutionary virility." Perhaps part of the reason why so many professors have accepted the violent and abusive tactics of the New Left is that such a revolutionary situation offers disgruntled academic oldsters a vicarious opportunity to play the man of action.

The Hard-core Campus Radical

The campus radicals of the New Left pose a mass of contradictions: peace-loving advocates of mob violence; freedom-loving seekers

[5] Eric Hoffer, *The True Believer*, p. 37.

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after power; the first to cry "brutality" at any attempted defense against *their* aggressions. The radicals in question are not in university residence to learn – they are there to instruct the university and society. Their qualification? Judging from the public statements of their leadership, to be qualified one must know almost nothing of history, philosophy, economics, or political theory, must have a literary background deeply steeped in James Joyce, Allen Ginsberg, and other purveyors of the four-letter word, and must be constitutionally unable to construct intelligible English prose.

Many observers have remarked upon the strong resemblance between the militant students advocating a new order in Hitler's Germany and the militant students who form the hard core of the New Left. Both have relied upon the demonstration, the use of massed force; both have insisted that "talk" must end, that "action" be the order of the day. In fact, there is much evidence to suggest that the New Left is not really so new. Professor Brzezinski of Columbia University views the current student rebel as essentially counterrevolutionary – i.e., dedicated to the preservation of a dying order. If so, the New Left can be described as the frenzied expression of a "Liberal" intellectual bankruptcy carried to its logical conclusion.

A substantial minority of faculty members lend their support to the New Left disruption of the campus. The professorial pleas for amnesty, the faculty insistence that the rioting students "have a case," is a reflection of the enmity which many academy spokesmen have borne for our essentially free and capitalist-oriented society. Recalling that enmity, that vested interest in the destruction of the old order shared by the Old Left and the New Left, we can discover new meaning in much of the current faculty permissiveness toward the New Left disruptions. We should remember that it was the chairman of the faculty executive committee at Columbia who supported Mark Rudd, among others, with the criticism that the school was run "like a seventeenth or eighteenth century private university." (One wonders exactly what is wrong with *that*. Perhaps the vestiges of academic and disciplinary standards were his grounds for complaint.)

Rejection of the Old Left

However sympathetic the Old Left may be to the antics of the New Left, agreeing in principle and only criticizing the method, it is far from clear that the New

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Left returns the affection. The ideas of the current campus radicals were formed in the classrooms of Old Left professors, but now it seems that the Old Left itself has been swept over in the rush toward nihilism and destruction.

The Center for the Study of Democratic Institutions recently invited a group of student radicals to Santa Barbara to conduct a "dialogue" on "Students and Society," apparently expecting that an exchange of ideas would reveal grounds for mutual respect and cooperation. However much the Senior Fellows of the Center may have respected their younger partners in the "dialogue," the resultant discussion suggests that the students had something far more radical in mind than did the professors. As one student remarked toward the close of the three-day conference:

I'm not as angry about what went on as Levine [another student participant] is because when I came here I thought it'd be a lot like going into my grandfather's house. I expected to meet a lot of nice old people who are very interested in what the young are doing and I expected them to tell us that we have a lot of youthful enthusiasm and that that is good, but that there ain't going to be no revolution because when I was 15 years old I said the same thing and there weren't no revolution then and there's going to be no revolution now.

But there is going to be a revolution. I don't know whether you are going to live to see it or not — I hope that you don't, because I don't think you are ready for it. You hope that conscience is built into the existing society, because you can't possibly envision any other kind. I hate to get into this bag of saying that everybody can't understand, but I think it's really true that after the age of 50 you are lost. You people really are far, far out of it — so far that every one of us has had to go on to points in the discussions we had five years ago, just to bring you people up to where we are today. You've been sitting in this really groovy place called the Center for the Study of Democratic Institutions and you don't know what's going on in the world. I don't think you'll ever understand. I didn't come here to talk to you, though I'm willing to put up with this session. I came here to talk to the other students, because that's where it's at.[6]

The New Left seems to reject dependence upon "dialogue." As one student at the conference urged:

I think we must locate a medium between dialogue and revolution. That medium is disruption. Disruption is the one thing our society

[6] *Students and Society*, Center for the Study of Democratic Institutions, p. 61.

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can't abide. Our institutions are all interrelated, and if one institution is sabotaged, the society can't function properly as a whole. The institution students are connected with is the university. If I may be permitted a ridiculous metaphor, the university is a kind of distributor cap that students can remove from the engine of our society.[7]

Disruption and destruction of the existing system seem the new order of the day. The *Berkeley Barb*, a New Left organ in California, typifies such sentiment:

> The universities cannot be reformed. They must be abandoned or closed down. They should be used as bases for actions against society, but never taken seriously. The professors have nothing to teach. . . . We can learn more from any jail than we can from any university.

Like most revolutionary appeals, the New Left stresses its interest in the common needs of all students, urging student unity; but in practice that appeal quickly degenerates into "Be my brother or I'll kill you," providing us with a more accurate measure of New Left values. Meanwhile, the provocations and the "kicks" go on. The attempt to provoke society becomes not merely the means, but the end as well. So long as these *provocateurs* remain a comparatively small minority on campus, a deliberately disruptive group totally disinterested in education and determined to deny that education to the majority, there is a means of solving that problem. The solution was provided long ago in a letter written by St. Benedict[8] to instruct his monks in the proper operation of a monastery:

> If any pilgrim monk come from distant parts, if with wish as a guest to dwell in the monastery, and will be content with the customs which he finds in the place, and do not by his lavishness disturb the monastery, but is simply content with what he finds, he shall be received, for as long a time as he desires. If, indeed he find fault with anything, or expose it, reasonably, and with the humility of charity, the Abbot shall discuss it prudently, lest perchance God had sent him for this very thing. . . . But, if he have been found gossipy and contumacious in the time of his sojourn as guest, not only ought he not to be joined to the body of the monastery, but also it shall be said to him, honestly, that he must depart. If he does not go, let two stout monks, in the name of God, explain the matter to him.

What about the Majority?

A troublesome point remains. Isn't it true that far more students

[7] *Ibid.*, p. 43.

[8] Much of the same advice is also given by St. Benedict in Chapter 61 of his *Rule for Monasteries.*

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seem disaffected with higher education than the small group of admittedly New Left radicals? Are all these masses of students actual or potential members of a student revolt dedicated to the disruption of our colleges and universities? The answer to both questions is "yes." Unless we are willing to take a long, hard look at American higher education, we may expect the numbers of disaffected students to continue their growth.

While most American college youths are far more interested in education than in destruction, they do feel betrayed by an educational structure which has become increasingly unresponsive to their academic needs and oppressive to their development as responsible adult individuals. It is this large group of disaffected students that forms the reservoir of discontent exploited by the New Left.

The student attending college for the first time has (or should have) some idea of what a college education is supposed to provide. Most serious students are likely to expect intellectual discipline and high standards, not to mention a close working relationship between teacher and pupil. For the student, these disciplines, standards, and relationships presumably will provide the development of individual capacity and judgment, making for a well-formed and uniquely individual personality. So much for the expectations of the serious student; the realities are often painfully different.

A Bureaucratic Merry-Go-Round

The uses of the multiversity for fund-raising, for the aggrandizement of administration and faculty, and for mass student indoctrination, all militate against proper education for the individual. Today a college education is automatic (and often meaningless). Insert a six-year-old in the educational mill and sixteen years later he is a college graduate, whether or not he has learned anything of lasting value or has matured into a unique and self-reliant personality. Such an overinstitutionalized and de-individualized system becomes primarily custodial in nature. Often this custodial function is highly paternal, but that very paternalism becomes the greatest despotism of all. The bureaucracy necessitated by such overinstitutionalized education becomes self-perpetuating, and steadily less devoted to the functions of genuine education.

While such a bureaucracy can no longer educate, it lends itself admirably well to social engineering, to turning out technically proficient automatons ideally suited to running "the system" without questioning its values. This is one of the valid complaints our stu-

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dents have. One of the bits of doggerel of the Berkeley uprising, to be sung to Beethoven's Ninth Symphony, went as follows:

From the tip of San Diego, to the
top of Berkeley's hills
We have built a mighty factory,
to impart our social skills
Social engineering triumph,
managers of every kind
Let us all with drills and homework
Manufacture human minds!

Thus, a moulding process is often substituted for an educational process. The students who are caught in the gears of the multiversity are to be excused for the feeling that the individual is powerless to change his environment. And, if the individual no longer matters, perhaps massive action, action designed to disrupt the workings of the existing system, is the only answer.

Increasing Concern among Youth over Social Problems

A related problem centers on the fact that many of our young people are more concerned than previous generations to know the "reason why," to examine the moral premises of our society. Perhaps they hunger for this because our present educational structure offers them so few values and principles on which to build their lives. Whatever the reason, the student with this concern for moral issues often finds himself in the company of professors for whom the morality of the existing power structure is a matter of little or no interest.

When the student does find a professor who is at least willing to discuss ultimate moral questions, such a professor all too often proves to be an activist who foments just the sort of campus revolt advocated by the New Left. A professor at Berkeley described the faculty-student relationship at the time of the 1964 Free Speech Movement:

> . . . So far as I was able to judge, the vast majority of the undergraduates did their best to follow the confused and changing lead of their professors.[9]

Thus, the riots have often epitomized the breakdown in traditional values, a breakdown deliberately induced by some faculty members. Could it be that our society's unwillingness to honor our own traditions is undercutting our young people's capacity to honor anything? If so, we should not be surprised when more and more of our youth no longer wish to play the game.

Much of our present structure of higher education offers the

[9] William Peterson, "What's Lost at Berkeley," *Columbia University Forum* (Spring, 1965), p. 39.

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spectacle of teachers unwilling to teach, operating within an over-institutionalized educational structure which smothers the individual student. The system, for all its size and power, so lacks inner values that it is often unable to act even in self-defense when assaulted by New Left revolutionaries from within. Surely such a system has little claim to the loyalties of the majority of sincere students who come to college to get an education!

Perhaps the New Left minority and the disaffected student majority are but different symptoms of the same disease. Perhaps they are all young people who in varying degrees are being robbed of their personalities and their core of civilizing values by a morally bankrupt educational structure badly in need of revision. ◈

The next article of this series will discuss "Creativity."

IDEAS ON LIBERTY

The Youth Movement

IN THE DECADE preceding the First World War, Germany, the country most advanced on the path toward bureaucratic regimentation, witnessed the appearance of a phenomenon hitherto unheard of: the youth movement. Turbulent gangs of untidy boys and girls roamed the country, making much noise and shirking their school lessons. In bombastic words they announced the gospel of a golden age. All preceding generations, they emphasized, were simply idiotic; their incapacity has converted the earth into a hell. But the rising generation is no longer willing to endure *gerontocracy*, the supremacy of impotent and imbecile senility. Henceforth the brilliant youths will rule. They will destroy everything that is old and useless, they will reject all that was dear to their parents, they will substitute new real and substantial values and ideologies for the antiquated and false ones of capitalist and bourgeois civilization, and they will build a new society of giants and supermen.

LUDWIG VON MISES, *Bureaucracy*

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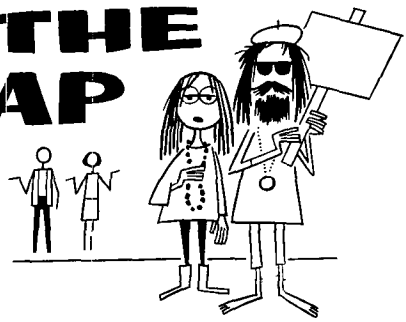
BENEATH THE GAP



JOHN C. SPARKS

THE YOUNG college professor was telling how the generation gap should be bridged: "When I communicate with my six-year-old son, I must talk on this level." With that he knelt to show that he talked on a child's level rather than that of an adult.

The example was effective, but a listener offered an important clarification. "Speak in the six-year-old's language, yes," he said, "but not in a six-year-old's principles." While it is best to use words understood by the youngster, the principles expressed should reflect the wisdom of a qualified and experienced adult.

Unfortunately, many of today's parents seem to have abdicated their responsibility *to instruct their offspring*. If they have tuned in, it is not to communicate, but only to listen to childish prattle. Furthermore, the parental extensions hired as teachers in high schools and colleges – at least some of them – are guilty of similar abdication!

Now, a generation gap is nothing new or unique to our time, but there seems to be about the current gap a critical difference. The sickness manifested in the deplorable antics of a few of the young seems to be deeply ingrained in the adults who fail to see their own illogical and immoral behavior reflected by their sons and daughters. Worse yet, many such adults fail to recognize that they themselves are victims and carriers of the disease.

Such parents from my generation are now reaping the whirlwind of the collectivist and totalitarian philosophy they embraced

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in exchange for the old wisdom of self-reliance and self-responsibility. Having been exposed throughout their lives to relentless "intellectual" attacks upon individual responsibility and self-reliance, they are today *un*qualified and *un*trained to instruct their children according to sound principles. Making decisions without benefit of established principles gives answers that change with the whims or emotions of the moment. The consequence is a confusing variety of fallacies.

Fallacies and Folly

One fallacy is to equate the revolutionary spirit and action of youth to some noble turn of history – as though all revolutions are solidly based to overcome evil. Thus, the perpetrators of the Boston Tea Party are equated with the rioters at Berkeley, Christ's ejection of the money changers from the temple compared with the captors of the administrative offices at Columbia. Though the principles underlying these actions are from opposite poles, the purported similarity is loudly proclaimed. In this manner, violence is excused or even applauded. Open threats by student-revolutionaries against the lives of others, often with racial overtones, are common themes of television documentaries and interviews. While public sympathy will seldom support these threats, neither is there the resolution and fortitude to condemn such immorality. Not so much a lack of courage, perhaps, as the simple failure to debunk the fallacy of revolution for revolution's sake.

A second fallacy underlying the push toward collectivism, through the medium of youth disturbances, is the contention that the major advances of mankind throughout history have had youthful leaders. The recitation of supporting data carefully ignores all vital contributions by older persons. This fallacy scarcely deserves the time to refute it. Medical scientists assure us that the human brain has the capacity for growth long after other bodily functions start to decline. In the face of such knowledge, are we simply to ignore the many daily decisions by industrial, cultural, political, and spiritual leaders, most of whom are over 30 years of age?

A third fallacy, related to the second, asserts that those over 30 represent the Establishment (whatever that means), and are stodgy, stuffy, and uncreative. The real targets are the old virtues of integrity, self-reliance, self-responsibility, courtesy, and respect for persons and for property. "Old" is hardly an appropriate description for these qualities

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– no matter how long since their discovery – when the purpose of such derision is to replace them with *nothing*, which is a far older condition among mankind. The advocates of big government, more control of people, and more paternalistic programs are well aware that the success of collectivism depends upon the dilution and erosion of the ancient virtues.

Consequently, anything old becomes the target – people over 30, as well as "old" marks of character. Personal success and achievement are also maligned, anyone in the winners' circle probably having resorted to such trickery as hard work, ambition, and integrity. Those winners, it is alleged, are no longer desirous of any change that will disturb their way of life – the Establishment!

The fact, of course, is that relieving the sore spots of mankind is not the exclusive concern of any one age group. Granted, the young may have more physical vigor and zest for crusading. But on the side of their elders is personal experience and wisdom and the other resources needed to cope with injustice. Branch Rickey was well beyond the age of 30 when he hired the first Negro professional to play baseball in the National League. Every year, thousands of bills are proposed in state and national legislatures by sincere men of all ages in the interest of justice – though such measures often tend to aggravate rather than alleviate problems. Others of all ages strive – just as sincerely and, hopefully, to better effect – to limit the scope of government intervention and to expand the realm for private decision-making and individual responsibility. Sincerity alone may not assure the correction of injustice, but we know that men and women of all ages are sincerely concerned.

To Magnify and Expose

We return now to the basic issue behind the turbulent façade of the generation gap. The unwarranted and sometimes violent outbursts by the young serve largely to screen and camouflage the real controversy – one manifestation of it that bids to out-dramatize all others. However, this outcropping is serious; and it may help to magnify and expose the underlying problem.

Today's parents have allowed their young people to come into adulthood often defenseless against those who aspire to totalitarian power. No wonder that many young men and women have had their minds and wills captured by the irrationality of such leaders. How could they be expected, without effective homework, to cope with the half-truths

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and clichés of collectivist ideologies? How is the young college student to argue effectively for self-reliance when every major adult action within his memory was designed to transfer the responsibility for personal burdens onto others via laws and new taxation?

True, there have been warnings sounded and predictions of dire results from such abandonment of individual decision-making and self-responsibility. Perhaps those who have heard and ignored these warnings have felt the evil results would never touch them personally – something instead that might happen to the economy under rapid inflation; or the gradual unpleasantness of frequent tax hikes; or the half-guilty, half-welcome idea of government security and medical care for the elderly; or the subsidies and controls for education, urban development, agriculture, research, employment – to cite only a few – all accepted after the mildest kind of objection.

Perhaps these persons hoped that all other human relations would remain the same after private decision-making was abandoned. There would be no deterioration of morals. Children somehow would learn the value of truthfulness, respect, gentleness, honesty, and hard work – without instructing them and despite the glaring contradictions lived by parents. Can we thus deny basic principles in our own actions as we move toward totalitarian ideologies, yet hope that our sons and daughters have learned real truths and virtues regardless? It appears rather that we now must reap what we have sown.

The real issue is between the very old and obsolete totalitarian concept of those seeking power over others and the more recent view that every man has an unalienable right from the Creator to seek in liberty his own development and fulfillment. Support the latter in study and deed, and the generation gap will fade to its normal insignificance. ◈

IDEAS ON LIBERTY

François Fenelon

WE CAN DO MORE for other men by correcting our own faults than by trying to correct theirs.

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EDMUND A. OPITZ

Socialism and Beyond

SUPPOSE you were asked to nominate the most influential figure in American politics during the first half of the twentieth century. Whose name would come to your mind? Would it be a President like F.D.R.? A Senator like Henry Cabot Lodge? A Supreme Court Justice like Oliver Wendell Holmes? Or would it be a machine boss like Tom Pendergast?

Before we go on with this question, let's pause over the word "influential." Is political influence measured by the power of the office; by a man's standing in a popularity contest? Or is influence primarily an intellectual and moral force, measurable, therefore, only by assessing the extent to which a man's political and social ideals are actually translated into government policies and programs. The most influential figure must be an idea-man who insinuates his ideas into the ideological mainstream so that people thereafter play the political game with his deck. Viewing the matter in this light, my nominee for the most influential person in American public life since World War I is a man who never held public office. I refer, of course, to the late Norman Thomas. I fervently wish that this were not the case, for my own position is diametrically opposed to that of Mr. Thomas; but I think I know a winner when I see one.

Norman Thomas was the Socialist Party's candidate for the Presidency in 1928 and every four years thereafter for the next two decades, six national campaigns in all. He never got many votes. His greatest success was achieved in 1932 when all of 190,000 people put their X alongside his name.

These electoral contests were

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not very important for Norman Thomas; they did little or nothing to further socialism. A political party, in the American experience, is a private organization aimed at the capture of public office for its candidates. The American Socialist Party barely qualifies, for it has hardly ever engaged in serious politicking. Instead, it is organized and drilled for education and propaganda primarily; and this roundabout approach proved to be, in the end, immensely successful practical politics. The socialists in the course of a generation changed the American political climate so subtly yet so completely that by mid-century no matter which candidate won, socialism (small "s") could not lose! Socialism with a small "s" has become the new consensus, but capital "S" Socialism has virtually expired giving birth to it! We will tell, briefly, the story of the rise and fall of Socialism, following this with an analysis of the auspices under which the drive toward collectivism proceeds today.

Principles, Yes; Party, No!

Norman Thomas and his friends, from the 1920's on, advanced the socialist cause by their devoted labor, day in and day out, year after year. They wrote books, pamphlets, and articles; they lectured before all kinds of audiences and made inroads among professors, clergymen, and millionaires. An incident recorded by Upton Sinclair is pertinent. Sinclair lived in Pasadena before World War I, and writes of a visiting European socialist who expressed unbelief when Sinclair told him that his circle of friends included socialists who were also millionaires. To prove his point, Sinclair said he would have a dinner party the next evening and invite some of his millionaire friends. The European was astounded to meet a dozen millionaire socialists, all rounded up on short notice from Pasadena and environs. Furthermore, because Socialism enormously strengthens the hand of government, it naturally appeals to politicians, Republicans as well as Democrats—and to the bureaucracy. These efforts by Thomas and associates paid off, and long before mid-century something like Socialism had become the American thing.

Thomas wrote a pamphlet in 1953 entitled "Democratic Socialism," in which he observed that "here in America more measures once praised or denounced as socialist have been adopted than once I should have thought possible short of socialist victory at the polls." But, as we have seen, the American voter decisively re-

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jected socialism when it was offered to him under that label. A 1954 editorial in the *Socialist Call* noted that "an examination of the Socialist Party platform of 1928 and the Republican Party platform of 1952 shows how much of socialist ideas succeeded in permeating the mind of America, including business circles. In the 1930's," the editorial continued, "the United States accepted the basic principles of the welfare state. The final seal of acceptance appeared in the State of the Union message delivered by President Eisenhower to Congress in January of this year."

Norman Thomas was puzzled by the paradox of the comfortable acceptance of socialistic practices by the government while "socialism itself," he said, "is under much sharper attack, and the organized socialist movement is much weaker." In 1956, the Socialist Party candidate got 2,044 votes, and the party has not run candidates in '60, '64, or '68. It might seem the Socialist Party has been a Typhoid Mary, of sorts; it has been the carrier of an infectious set of ideas, innoculating others with the virus while remaining itself outside the pale. But this analogy does not walk on all fours; for while Norman Thomas has been transforming the Republican and Democratic Parties, the Socialist Party itself has been transformed. To take the measure of this transformation, let's look at the formation of this party at the turn of the century.

Born in Indianapolis, 1901

Perhaps the American Socialist Party has lived out its life span, for it was born nearly three-score-and-ten years ago. In the year 1901, on the twenty-ninth of July, 124 delegates representing various factions of socialism met in Indianapolis. The meeting is described by Morris Hillquit, the old-time socialist, in these words: "The convention has assembled as a gathering of several independent and somewhat antagonistic bodies; it adjourned as a solid and harmonious party. The name assumed by the party thus created was the SOCIALIST PARTY."[1]

How many people were there in the United States in all the little socialist factions which sent delegates to Indianapolis? "No less than 10,000," says Hillquit.[2] The active membership was undoubtedly much less than this, which is to say that the merest handful of earnest, dedicated people — who thought they knew what they wanted and worked to achieve it

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[1] Morris Hillquit, *History of Socialism in the United States* (New York: Funk & Wagnalls, 1903, third edition), p. 339.

[2] *Ibid.*, p. 338.

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– succeeded in getting the most powerful nation in history to turn away from the methods of liberty and plunge into collectivism. The Socialist Party had succeeded so well by mid-century as to render itself unnecessary!

A party platform came out of this meeting in Indianapolis, full of rhetoric, as are all political documents, but containing also an unambiguous statement of socialist procedure: ". . . the organization of the working class and those in sympathy with it into a political party, with the object of conquering the powers of government and using them for the purpose of transforming the present system of private ownership of the means of production and distribution into collective ownership by the entire people."[3]

Ends and Means

If we are to understand the nature and meaning of socialism, we must make a rigorous distinction between, on the one hand, the proclaimed socialist goal of a cooperative commonwealth which has no more war and no more poverty and no more injustice – and, on the other, the means which socialists would employ, or the techniques they would use, to achieve their goal. Ends versus means.

Up to a certain point, the ends and goals proclaimed by socialists of all denominations are the aims of all generous and fair-minded men. All men of good will seek to hasten the end of injustice and oppression; they want a more productive society in which each man enjoys the fruits of his own labor and where there is more material abundance for everyone. And because the economic order operates at peak efficiency only in a peaceful world open to trade and travel, economic considerations reinforce all the moral and religious imperatives favoring peace and opposing war. Immanuel Kant, writing at the dawn of the capitalist era, foresaw an era of peace in the nineteenth century and beyond as reliance on economic production and exchange to obtain goods supplanted the political struggle to get other people's goods by privilege and subsidy. "It is the spirit of commerce which cannot exist side by side with war," he maintained. This was a fundamental idea of Classical Liberalism whose spirit was expressed by Jefferson in his Second Inaugural, when he spoke of "peace, commerce, and honest friendship with all nations."

Armed with Power

The socialists appear to believe that they have a monopoly on the virtues, but in this – as in most

[3] *Ibid.*, p. 343.

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everything else – they are quite mistaken. The unique thing about Socialism is not its professed aims; the unique thing about Socialism is the means it embraces for achieving its ends – means which include the authoritative direction and control of the lives of the masses of men by the few armed with political power. The original platform from which I have quoted announced the means Socialists would employ: They would form a political party and campaign until they were voted into power; and when they controlled the government, they would nationalize productive property.

True, the document does not speak of nationalization; it refers to "collective ownership by the entire people." Now, an entire people, all two hundred million of us comprising American society, cannot own anything collectively or in common; ownership is the right to the exclusive enjoyment and disposal of a good against all comers. If there is no one against whom such a claim might be pressed, the claim itself would not arise. Now, if everybody "owns" a thing, against whom will the entire people press their claim? "Collective ownership by the whole people" is a mere combination of words; it is not an intelligible idea. The absurdity of the notion of social ownership is humorously emphasized by the story of a sign in a public park in a midwestern city: "No baby carriages; no bicycles; no ball playing; this is your park." Obviously, the park does not belong to the one addressed but to the signwriter who lays down the rules for its use.

Nationalization of Property

Ownership can, however, be vested in society's enforcement agency – government. And the extension of government ownership is what mainly distinguishes Socialism from other schemes for the improvement of man's lot in society: Socialists would nationalize productive property. Into the hands of politicians and bureaucrats would come all titles to property; government would be the sole employer, and as the only employer, government would assign a task to each citizen and lay down the terms on which men would hold their jobs. If this sounds like the army, it is because Socialism is in fact a militaristic organization of society. Socialism involves a command type of operation and, because "whosoever controls a man's subsistence controls the man," a socialist society becomes a minutely regulated bureaucratic tyranny. When men lose the right to accept the best available job and to quit for whatever reason, they have lost a large and signifi-

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cant chunk of that free choice on which many other freedoms depend.

A New Kind of Tyranny

In 1884, Herbert Spencer foresaw the emergence of a new kind of tyranny in Western nations and wrote his prophetic essay, "The Coming Slavery." In 1912, Hilaire Belloc wrote *The Servile State*, predicting that when the Socialists got their way, the result would not be socialism, but a totalitarian order in which the masses would toil for those who possessed political power. Hayek wrote his stunning *Road to Serfdom* in 1944, by which time the appalling extent of slave labor in the Soviet Union was known to all men. But that evil thing, communism, was not Hayek's culprit; he put the finger of blame on planning, even planning of a most benign intent. If a society has an over-all plan, enforced by government, this will come into collision with the millions of private plans of individual citizens. Citizens, pursuing their personal goals as free men are in the habit of doing, resist bureaucratic stupidity, and the more stubborn citizens have to be made to see the error of their ways. The planned society needs enforcers, and in the nature of the case these are not gentle visionaries and scholars; they are the worst types of men, and it must be so, as Hayek demonstrates in a famous chapter entitled "Why the Worst Get on Top." Gentle American socialists used to lament that Stalin betrayed the Revolution; not so! Stalin was an authentic product of the Revolution.

The British accepted wartime planning under Churchill; and when a socialist government came to power after the war, the planned economy was extended to the edges of society. The catastrophic consequences for England were described by the Oxford economist, John Jewkes, in his book, *Ordeal by Planning*, published in 1948. The American, Hoffman Nickerson, examined *The New Slavery* in his book of that title, published a year earlier; and finally even the American Socialist Party had to concede that it no longer believed in socialism – in the old sense.

The Socialist Party platform for 1956 contains the familiar windy rhetoric about eliminating war, hunger, and oppression; the socialist ends are about the same as they were half a century earlier. But the means are radically different. "Socialism," reads the platform, "is the social ownership and democratic control of the means of production. Social ownership, which includes cooperatives, is not usually government ownership." (It was simple government owner-

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ship, you will recall, to which the early Socialists pinned their faith.) "Social ownership would be applied to large-scale business not to family farms or other individually owned and operated businesses of similar size. Democratic control is not administration by the central government but control by the people most directly affected. . . ."

The earlier socialist blueprint contained no private sector, but present-day socialists put the family farm in the private sector as well as businesses of comparable size. Now a family farm can cover four hundred acres and represent a capital investment of a quarter of a million dollars. The majority of commercial enterprises are much smaller, by comparison, than this, so this leaves several million businesses in the private sector. The present thrust of the American Socialist Party, therefore, is control of "BIG business," and this emphasis has so little sex appeal for Socialists that they've gone out of politics. The rationale for the planned society has been taken over by others. The trend toward collectivism still continues, but it is more deceptively camouflaged.

A Fanatic Faith

There's more to Socialism than its belief that productive property should be nationalized. Socialism is one of several ideologies which pin their faith to the notion that political reorganization will bring about a perfect human society: secularized versions of the Kingdom of God. Socialists do not modestly believe they have a remedy for *some* social ills; they think they have the cure for all! In this sense, Socialism is a modern, this-worldly religion. Listen to H. G. Wells, for example: "Socialism is to me a very great thing indeed, the form and substance of my ideal life and all the religion I possess." As a religion, Socialism promised a terrestrial paradise, a heaven on earth.

There is an unrealistic, utopian streak running through the socialist mentality, generating a kind of fanticism which makes it impossible to assess the realities and possibilities of human life on this planet. You've heard the brief prayer which runs: "Give me courage, O Lord, to change the things which need to be changed; the strength to endure those things which cannot be changed; and the wisdom to know the difference." The Socialists don't know the difference! They imagine an impossible state of perfection and then condemn the hard realities for not conforming to their dream. Everyone who has his feet on the ground recognizes the workings of

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sin, ignorance, and evil in human life. "History," said Edward Gibbon contemplating the decline and fall of Rome, is "a record of the crimes, follies, and misfortunes of mankind." But none of these things need be, cries the Socialist, and the revolution will eliminate them; in the classless society of the future every man will radiate kindness and intelligence and the world itself will be transformed into a new Garden of Eden.

I'm not exaggerating. Here is Karl Marx himself, in an early work entitled *The German Ideology*, writing on the theme which is so popular these days – the theme of alienation. In what Marx calls "a natural-grown society" (as contrasted with a society consciously planned), there arises the thing we call division of labor. Men are gifted in different ways and come naturally to specialize in various occupations. And there the trouble begins! "As labor comes to be divided," Marx says, "everyone has a definite, circumscribed, sphere of activity which is put upon him and from which he cannot escape. He is hunter, fisherman, or shepherd, or 'critical critic,' and must remain so if he does not want to lose the means of subsistence – whereas in the Communist society, where each one does not have a circumscribed sphere of activity but can train himself in any branch he chooses, society by regulating the common production makes it possible for me to do this today and that tomorrow, to hunt in the morning, to fish in the afternoon, to carry on cattlebreeding in the evening, also to criticize the food – just as I please – without becoming either hunter, fisherman, shepherd, or critic."

Utopian Strains

Now it is obvious to everyone that the material abundance we enjoy in modern America is due to specialized occupations and exchange. If every man were a jack of all trades, living only on what he himself produced, most of the earth's population would shortly starve and the lives of those who remained would be "nasty, brutish, and short." Marx never did accommodate himself to the idea of the division of labor, but communist regimes, of course, have had to bow to reality. Nevertheless, the utopian streak is still there. Leon Trotsky ventured into never-never land when he wrote his *Literature and Revolution* in 1925. Consulting his crystal ball, Trotsky predicted a proletarian paradise in which "the average human type will rise to the heights of an Aristotle, a Goethe, or a Marx. And above this ridge, new peaks will arise."

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Marx and Trotsky are bad enough, but theirs is a sober vision compared to that of Charles Fourier who inspired several utopian colonies in nineteenth century America and converted Horace Greeley and other Americans to his views. Fourier would group society into phalanxes comprising 1,620 people each and when the world was thus organized man, beast, and nature would be wholly redeemed. "Men will live to the age of 144," wrote Fourier, "the sea will become lemonade; a new aurora borealis will heat the poles . . . Wars will be replaced by great cake-eating contests between gastronomic armies." Whatever Fourier's mood when he wrote this, the man was obviously insane and thus comparatively harmless; but a kind of madness afflicts even the soberest Socialist. The proletarian paradise is out of this world; heaven cannot possibly be achieved on this earth. To *improve* the conditions of earthly life is every man's job; to *perfect* them is God's. Those who try to establish perfection on earth usurp God's role, and in the name of Man they subjugate men.

Some former Socialists acknowledge the validity of these criticisms, so they crusade for collectivism using a different tack. Thus the new consensus, shaped by the Socialist mold, but completely pragmatic rather than idealistic. Reinhold Niebuhr, the eminent theologian, was a Socialist most of his life. He left the Socialist Party some twenty years ago saying that its creed "contained even more miscalculations than the liberal creed which it challenged." Does this mean that Niebuhr came over into the conservative or libertarian camp? Not at all. Niebuhr now favors a mixture of freedom and planning, as he would put it, in order that no one of the three major foci of power shall come to predominate. It is the power of Big Business that is the primary object of Niebuhr's concern, and he thinks we need both big government and big unions to cope with Big Business. The position is that power in society assumes three forms – as business, government, and labor, and that each of these must be played off against the other. Let's submit this position to critical analysis, beginning with government.

Two Kinds of Power

Nearly every political theorist until the present day has identified government with the police power. The government of a given society was regarded as the power structure. The head of the government was the commander-in-chief of its armed forces, which were charged with the task of defending the society against foreign

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foes. The police protected citizens against criminals, and the legal system offered redress when collisions of interest occurred within society. The government has the power to tax, and various other responsibilities as set forth in the country's constitution. That which distinguishes a government from any other organization within society is that government alone is granted a legal monopoly of coercion.

Anyone not blinded by ideological prejudice knows that the power wielded by government is unlike every other species of power in society. Should you run afoul of the law you will quickly realize that the police, the courts, and the jails are not a branch of General Motors. The army fighting in Viet Nam is not under the control of A.T.&.T.; and if some young man you know is drafted, he will be drafted by the government and not by Du Pont or Alcoa. You'll be paying your income tax when due, and you'll pay it to the government. If you fail to pay, you'll be visited by an agent of the I.R.S., not by a Fuller Brush man.

How, then, can a bright theologian like Niebuhr fail to sense the power with which government is endowed? Only because he is blind to the nature of business. Niebuhr has said that the "prestige and power [of] the giant corporation [with its] right to hire and fire . . . certainly makes big business a part of government." (*New Leader,* August 26, 1951) This is a beautiful example of logic turned inside out. The right to hire and fire is nothing more than an exercise of the right of an owner to say who shall be allowed to use his tools and under what circumstances. There's an automobile registered in your name; but if you are not permitted to use it yourself, nor to decide who shall be allowed to use it and when, then the car cannot rightly be called your property. (Either that, or you have teen-age children!)

Attack on Business

Now, hiring and firing is not a unique function of government, even though government employs millions of civil servants. But if you cannot make your own decision as to who shall work for you in your own factory or store or restaurant or bank or whatever, then you are prevented from exercising the natural responsibility of ownership. Niebuhr's curious observation boils down to the nonsensical assertation that big business, by behaving in a business-like fashion – by hiring and firing – thus demonstrates that it's part of government!

The attack is leveled against

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BIG business, and thus it slips under the guard of some people. The size of things is a factor in our judgment of them; we don't like things to depart too far from the norm. In fairy tales and folklore both giants and dwarfs carry overtones of the sinister. Bigness carries the suggestion of inordinate strength, and that is always a threat; so we like to have things the right size. But how do we decide what size is proper for a business? And *who* should decide? Should the government decide how big X industry should be? Or should the consumers of X industry's products decide? I have no hesitancy in saying that the size of a given business should be decided by consumers. If consumers like a given product, they telegraph their fondness to the manufacturer who tools up to produce more of it, increasing his output until diminishing sales give him the clue to cut down.

The theory of the free market, or laissez faire, or Classical Liberalism, never contemplated an unregulated economy. Laissez faire opposed *government* regulation in order that the economy might be regulated by those most directly affected – the consumers. According to the theory of laissez faire, government was to act as an umpire to interpret and enforce the previously agreed upon rules of the game; government was intended to keep the game of competition going by punishing breaches of the rules. Within the rules, a given business or industry had complete latitude to expand or contract or fail.

"Bigness" Decried

So what *is* a big business? The world's biggest business engaged in the exclusive manufacture of French horns is the Sansone Company which employs about fifteen craftsmen in a loft just north of Times Square. This is technologically feasible. Now, an automobile might be handcrafted in a shop with only a few employees, and such a machine might win the "Indianapolis 500"; but the American consumer favors the kind of car that can be mass-produced by the millions, and so Ford, Chrysler, and G.M. employ hundreds of thousands of men. The appropriate size of an industry varies greatly according to the nature of the enterprise, but the final decision as to the right size of X industry properly rests with consumers. Unless, of course, the proprietor decides he wants to do custom work at his own pace and prefers to stay small.

If you recall your textbook in economics, you'll remember the equation: Land + Labor + Capital → Wealth. Human energy aid-

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ed by tools and operating on natural resources produces wealth. Business and industry is somebody making, growing, or transporting things which consumers demand, or performing a service. Human laziness is a factor in economics, and it is a safe bet that men would not work as they do nor as hard as they do if they didn't have to. Men have to work, not because anyone forces them to work, but because the human race would perish if people gave up working. This is simply a fact of life; this is not coercion in the sense in which those unfortunate millions who have perished in Soviet slave labor camps have been coerced. Coercion is not part of the private sector. (Acts of coercion may occur in the private sector but only as criminality.) A unique and necessary feature of government, however, is that society has granted it a legal monopoly of coercion. Government is *the* power structure in a society. But a business cannot exercise power without breaking the law – or else it secures the connivance of government and operates as a cartel.

Given a framework of law which preserves competition and peaceful trade, a business should be as big as consumers want it to be – as evidenced by their buying habits. And business, as such, has no power – not the coercive kind of power which is the type government must have. The position that we need big government and big labor to contain the threat of big business has the props knocked from under it if "big business" is seen to be a vague term, and when we realize that business as such is not a threat but rather an essential for maintaining the general prosperity.

Unions Are Special

What about "big labor"? The mythology surrounding this question is hard to penetrate, for it is a modern article of faith that to labor organizations is due the major credit for the fact that wages are higher today than they were fifty years ago, and hours of work less. But mere organization does not produce goods; only the application of human effort to raw materials, augmented by tools and machines (capital) produces goods. And our increasing efficiency in production is due to inventions, good management, and above all, to the machinery the average worker has at his disposal. On an average, there is a twenty-one-thousand-dollar investment of capital per worker in American industry. This is why Americans are more productive than workers in other parts of the world, such as Great Britain, where trade union organization has been much tight-

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er than here and has been going on since the nineteenth century. Unions do not contribute to our prosperity; they detract from it; they institutionalize unemployment.

Furthermore, national legislation such as the Norris-La Guardia Act and the Wagner Act have granted special privileges and immunities to unions to engage in acts of intimidation and violence which would jail nonunion perpetrators. This is a serious breach of the Rule of Law. And in bargaining with employers within the terms laid down by the N.L.R.B., the discussions proceed with one party's hands tied by partisan legislation.

Let me offer a striking analogy of this situation from the pen of the Harvard economist, Prof. E. H. Chamberlin. He's writing about what is called "bargaining," and says: "Some perspective may be had on what is involved (in labor-management "bargaining") by imagining an application of the techniques. . . . in some other field. If A is bargaining with B over the sale of B's house, and if A were given the privileges of a modern labor union, he would be able (1) to conspire with all other owners of houses not to make any alternative offer to B, using violence or the threat of violence if necessary to prevent them, (2) to deprive B himself of access to any alternative offers, (3) to surround the house of B and cut off all deliveries, including food, (4) to stop all movement from B's house, so that if he were for instance a doctor he could not sell his services and make a living, and (5) to institute a boycott of B's business. All of these privileges, if he were capable of carrying them out, would no doubt strengthen A's position. But they would not be regarded by anyone as a part of 'bargaining' – unless A were a labor union."

Intellectual Error

The intellectuals of our time are bemused by power. Irving Kristol is an intellectual and also a liberal of sorts, but he's nevertheless able to maintain his objectivity. "The liberal," he writes, "is pleased with the increasing concentration of power in the national government, because he sees in it an opportunity to translate his ideals into reality. . . . He is convinced – not always by evidence, often by self-righteousness – that he knows how to plan our economy, design our cities, defeat our enemies, assuage our allies, uplift our poor, and all in all, insure the greatest happiness of the greatest number. And for this knowledge to be effectual, he needs more power over the citizen than Americans have traditionally thought it desirable

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for a government to have." (*New Leader,* September 14, 1964)

The liberal is saying, in effect: "We're a lot smarter than the rest of you folks, and possess a keener sense of moral responsibility as well. Why, therefore, should we sit idly by while mankind mindlessly repeats the same damn fool mistakes over and over again?" Well, the worst mistake mankind continues to make is to turn its destinies over to some demagogue who in turn whips people up into mass movements. "People go mad in herds; they recover their sanity one by one." The mob intoxication wears off and then each person can locate for himself those loopholes in logic through which a tiny bit of his liberty trickles away, and he can plug the leaks with sound ideas.

Some conservatives and libertarians spend a lot of time attacking big government. The mythology surrounding big business and big labor can be stripped away; and when we've finished that job, big government remains, towering over us and watching us like Big Brother in Orwell's novel. But the excessive size of government is a secondary effect. A government must be large enough to accomplish its task, and during wartime or to cope with a crime wave it will naturally expand. Our criticism should be directed at government doing the wrong things and not at mere size, because whenever government starts doing the wrong things, it will overflow its boundaries and become too big. Government should be large and virile enough to keep the peace, to preserve individual rights, and punish anyone who injures his fellows – as injury is defined at law. But when a government attempts to run the economy and dictate the actions of peaceful people, it usurps improper authority, and thus grows to inordinate size.

Back to Fundamentals

Liberty in human affairs will never be wholly lost, nor ever wholly won. We've been on the losing end for some time now, but it is our great good fortune that whatever runs contrary to the natural grain of things will eventually bring about its own demise. Socialism as a consistent intellectual system has committed suicide, although its practical consequences are still with us. Now we are confronted with the shallow notion that big business is a power structure, as is big government and big labor; and we must somehow prevent the ascendancy of any one of these three powers. Upon analysis, this position is seen to be error piled upon error. A business is as big as consumers want it to be; and if they want it to fail, it fails.

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The power displayed by modern unions is a chunk of raw political power bestowed by national legislation on some people over other people. The bestowal of this kind of power is a violation of the principles of the free society and a breach of the Rule of Law. Finally, government has certain indispensable functions to perform and it should perform these tasks with vigor and integrity—and no others.

Once we have the ideas sorted out and rearranged in order, then what shall we do? How shall we act? Well, that's up to you, for in the nature of the case each man must answer for himself when it comes to deciding where he shall exert his influence. Bonaro Overstreet has set the idea to verse:

You say the little efforts that I make
Will do no good.
They will never prevail,
To tip the hovering scale
Where justice hangs in the balance.
I *don't think*
I ever thought they would.
But I am prejudiced beyond debate
In favor of my right to choose
which side
Shall feel the stubborn ounces of
my weight. ◈

John Stuart Mill

THE WORTH of a State, in the long run, is the worth of the individuals composing it; and a State which postpones the interests of *their* mental expansion and elevation, to a little more administrative skill, or of that semblance of it which practice gives, in the details of business; a State which dwarfs its men, in order that they may be more docile instruments in its hands even for beneficial purposes – will find that with small men no great thing can really be accomplished; and that the perfection of machinery to which it has sacrificed everything, will in the end avail it nothing, for want of the vital power which, in order that the machine might work more smoothly, it has preferred to banish.

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Fear Smallness, Not Bigness

LEONARD E. READ

IT WAS a pleasing note: "Thanks for your letter. It's so nice to do business with a person instead of a computer."

The comment dealt less with a new-fangled gadget than with a phase of organizationitis. When the job gets bigger than the man, there is a deplorable tendency to overdelegate and lapse into a push-button operation – form letters for all occasions, for example. When a job overflows the limits of one's personal attention, there's the "ghosting" of speeches, letters, books, statements of policy, and so on. And ghost is about all that is left of any man who ceases to be personal: an organism without personality!

Long ago I decided that when my part in FEE goes beyond what I can attend to personally, then FEE is too big for me. I shall write my own speeches and books, dictate my own letters – and sign them. Assistance and counsel? Yes, all I can muster!

Nor is anyone ever "too little" to be eligible for personal attention. It is not my business to pass judgment on who is or isn't important to freedom. No one knows where genius is about to sprout! There comes to mind the story of the man who set forth on a journey to Jerusalem to see the Savior: Along the way numerous persons asked for assistance but to each he replied, "Sorry, I haven't time for you; I'm on my way to Jerusalem to see the Savior." In Jerusalem, he learned that one of those by the wayside was the Savior.

The lesson? Treat each person, regardless of race, creed, color, fame, or fortune, as if he were the Lord so as not to pass by the one who may be most important of all. When a man's job is so big he can't follow this rule, then it's bigger than he can handle!

Another test for job-fitness: An individual has moved up the ladder as far as he should go if, on the next higher rung, he could no longer give full personal attention to his assigned role. When a man finds himself behaving as impersonally as a computer, it's time to rejoin the human race!

The aforementioned note with its person-computer comparison also reveals one of the reasons for the general fear of bigness in

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business. I do not buy the popular notion that a business is bad because it is big. The size of capital investment, markets, employees, sales, profits tells us nothing about goodness or badness. The lone bandit is a social menace; the biggest corporation in the world – A T & T – is a benefactor. Size simply is a measure of material dimensions but has nothing, as such, to do with social well-being or morality.

Big businesses offer big jobs that require big men; and men of this caliber are a scarce resource. When big men cannot be found, such jobs are serviced by "ghosts," men who are incapable of remaining personal and self-responsible; their roles are bigger than they are.

We observe numerous persons not big enough for the roles assigned to them in small businesses; indeed, some too inadequate to head a family. But the bigger the operation, the greater the probability of more big jobs than big men to fill them. These deficiencies lead careless observers to associate the personal failures with bigness, explaining, in part, their unjustifiable fear of bigness. They overlook the many businesses, formed in response to natural market forces, where most of the big jobs are filled by big men.

There are, however, examples of bigness formed by coercion, an unprincipled force, where the jobs are too big for anyone. We observe this in big or bloated government where there are countless jobs bigger than any man can competently fill.

When government gets so far out of bounds that its costs cannot be met except by inflation and exorbitant taxes, unnatural bigness in businesses results. Mergers and conglomerates take place, not in response to normal market forces but as organizations to take advantage of unprincipled governmental policies. This sort of gigantism tends to create jobs too big for anyone.

The point to keep in mind is that bigness in itself is the wrong criterion for forming our own opinions or framing public policy as to economic enterprises. Public policy should concern itself solely with its own righteousness; it should never serve to encourage unnatural formations of enterprises or to deter enterprises that are natural responses to a free market.

Conceding a sane public policy, then nothing need concern us about the bigness of businesses or jobs except the smallness of ourselves for the roles we try to play. If we are big enough, then we can act like persons rather than computers. ◈

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CLARENCE B. CARSON

The Rise and Fall of England

17. THE FALL OF ENGLAND (Part 2)

THE FALL of England should be attributed most directly to the misuse of governmental power by socialists. They turned the power of government on their own people, restricting, inhibiting, and obstructing the exercise of their energy and ingenuity for constructive purposes. Of course, these obstructive activities were not exclusively employed by the Labour Party; socialistic ideas and practices had long since become the common coin for virtually all the politicians, thanks to the Fabians and their aids, witting or unwitting. The Labour Party was only more thoroughgoing than the rest in the application of the socialist ideas.

The two best symbols of the fall of England, however, were the dependence of England on the United States and American policy and the cutting loose of empire. England's dependence on the United States was heralded by the so-called dollar shortage after World War II, by the applications for loans, by the American subsidies, by the Canadian loans, and by the abandonment of an independent role in the world. (Some Americans are apt to be more conscious of the British influence on American policy than of its being the other way around. Such influence has undoubtedly been considerable. However, my point has to do with actual dependence, not with the direction of flow of in-

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Dr. Carson, Professor of History at Grove City College, Pennsylvania, will be remembered for his earlier FREEMAN series, *The Fateful Turn, The American Tradition and The Flight from Reality*.

This article concludes the current series on England.

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tellectual influence.) The loss of independence should be interpreted as an unmistakable sign of the fall from former greatness.

Breakdown of Empire

The dissolution of the British Empire came quickly after World War II. There were three major moves in this direction made by the Labour Party. One of these was the cutting loose of large blocks of territory in the Far East. India was divided and became two countries: Pakistan and India. Ceylon and Burma were granted independence at the same time as India and Pakistan. Ceylon, Pakistan, and India accepted Commonwealth status, but Burma cut loose more completely.

The second move was to change the character of the Commonwealth. The commonwealth arrangement had been one in which all member nations professed their loyalty to the monarch and accepted the dominance of England. The members were referred to as dominions, and thus tacitly recognizing that domination. It became apparent at a conference of prime ministers held in 1946 that this state of affairs was no longer quite acceptable. As one historian summarizes the affair, "the real significance of this conference was that Britain no longer presided as the real and overwhelming power behind the organization, with her economic and military strength providing its material potential."[1] The word "Dominion" had become irksome. The Dominions Office was replaced in 1947 with a Commonwealth Relations Office. The Commonwealth remains now largely as a relic of former times, a symbol of relations which once existed and remain in memory.

The third move was the withdrawal from the Near and Middle East. This is the fabled land mass in which arose the ancient civilizations; it lies athwart the paths connecting Africa, Asia, and Europe. With the dissolution of the Turkish Empire during and after World War I, the British moved in to assume much of the suzerainty over the area. Shortly after World War II, they began their withdrawal: from Palestine, from Egypt, and from other Moslem countries.

The return of the Conservatives to political power in England in 1951 did not long delay the process of cutting loose much of the rest of what remained of the British Empire. In Africa and the Americas pressures were mounting for independence for numerous remote and obscure provinces.

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[1] Don Taylor, *The Years of Challenge* (New York: Frederick A. Praeger, 1960), p. 39.

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The following account gives some indication of the process:

> . . . The Anglo-Egyptian Sudan became a sovereign state in 1956, and British Somaliland was given independence in 1960. . . . Independence was granted to the Federation of Malaya in 1957. . . . Status as independent sovereign states was also given to the Gold Coast (rechristened Ghana) in 1957, to Cyprus and Nigeria in 1960, to Sierra Leone and Tanganyika in 1961, to Uganda and Western Samoa . . . in 1962, to Kenya and Zanzibar in 1963, to Malta in 1964 and to Gambia in 1965.[2]

So it has gone with colony after colony. A goodly number of them have retained commonwealth status, but, as has been indicated, this was coming to mean less and less. There have been breaks from the Commonwealth, too, as, for example, that of the Union of South Africa. The British Empire is only a light shadow of its former self.

It should be emphasized here that England's greatness did not reside in or arise from the possession of an empire. On the contrary, the acquisition of an empire was, in large measure, a reflex of greatness. It is true that from the latter part of the sixteenth through the latter part of the eighteenth centuries the British had been under the sway of mercantilistic ideas and had acquired an empire of sorts following the practices associated with them. But following the American War for Independence a great change occurred. The British came increasingly under the influence of the ideas of free trade. The greatness of England flowed from the energy and ingenuity of her people, freed as they were from so many restrictions and obstacles to productivity.

Commerce and Culture

The British Isles illustrated the verity of Adam Smith's dicta: that the wealth of a nation consists of the goods and services that a people can command, and that the way to augment these is to trade freely with all others, producing those things in which that nation has some advantage and buying from others what they can more economically produce. The British Isles were well situated and geographically well equipped as a training ground for a seafaring people.

So it was in the Modern Era, the British ventured forth to the far corners of the earth, their ships burdened with goods much sought after by somebody or other. In return, they brought back treas-

[2] Alfred F. Havighurst, *Twentieth Century Britain* (New York: Harper and Row, 1966, 2nd ed.), p. 486.

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ures for the people of their own islands. To facilitate this trade, trading posts were established, investments were made, native production was bolstered, political control was extended, and so on. By the latter part of the nineteenth century, some Englishmen were beginning to attach value to the Empire itself, and the British began to formalize it once again. But this was probably more defensive than anything else, for other nations were now turning to the acquisition of colonies and to the erection of barriers to trade.

It is important to remember, too, that British ships did not carry goods only; they carried at least the appurtenances of civilization to many of the darkest parts of the world. Britain was, in the nineteenth century, the center of a great civilization and exemplified many of its finest achievements: of government, learning, discipline, ordered liberty, thought, and institutions.

It should be obvious, but it is not to many people today: the attainments of civilization are not equally distributed around the world. Cultural relativism has taken its toll. Many talk as if all peoples are on an equal plane of achievement and development. Of course, this is nonsense, however high-flown the language in which such notions may be garbed. The customs and habits of many people are and have been barbaric, their institutions cruel and restrictive, their religions a hodgepodge of superstitions, their economies a melange of inhibitions to economy. The British offered to those willing to learn some chance of amelioration.

Two Faces of Power

The spread of British influence was generally the leading edge of civilization in the greatest days of England. That is not to say that the British were always just in their rule, that every innovation they championed was an improvement, or that barbarians were always transformed into civilized peoples. On the contrary, there is little enough that the wisest of men can do to help others, and human nature is too much flawed for us to hope that good intent was always the ruling passion. Indeed, it is most likely that the British sought mainly their own good in what they did. Yet the benefits from this extended to many other peoples.

Even so, it is doubtful that an empire is an ideal arrangement either for those who have one or for the peoples who fall in some way under imperial rule. Such power does indeed offer opportunities for its abuse. As it is

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desirable that each man stand on his own feet, so it may be desirable that each people direct their own course. In the abstract, an excellent case can be made against empires and an equally good case can be made for national independence. In some sort of imaginary world, the cutting loose of the empire by the British might have had entirely salutary results. England might have prospered as it basked in the good will of peoples freed from its tutelage. Some such idealism may have inspired some of those who had a hand in the dissolution. There is a hint of this posture in the following statement of John Strachey, a prominent Labourite: "That daemonic will to conquer, to rule, and sometimes to exploit, which first possessed us as a sort of emanation from the Gangetic plain two hundred years ago, has left us. And thank heaven it has."[3]

Unprepared for Freedom

Whether it is fortunate or unfortunate, we do not live in the imaginary world of socialists or even in the abstract world of rationalists. We live in a very real world where power holds sway, where peoples are variously situated to maintain their independence before it, where peoples of different backgrounds, religions, and heritage lay claim to and vie for control of a given territory, where there are some who have little to no aptitude for governing territories of the extent of nation-states, and where other power flows in to fill the vacuum of that withdrawn.

In a number of instances, independence, rather than bringing peace, brought bitter struggles and contests. So it was for India. That land had been held together, it appears, only by British mediation and control. Once these were withdrawn, India was divided between irreconcilable Moslems and Hindus. The ensuing creation of two separate countries brought its own train of horrors:

> A veritable Walpurgisnacht ensued, since an understanding for peaceful exchange of populations proved to be the merest euphemism. Millions wrenched from their ancestral homes, were driven blindly toward unknown, promised lands. Plunder and arson, wholesale rape and massacre befell hapless victims of the partition.[4]

What happened in Palestine is a somewhat more familiar story. Jews claimed the territory as their ancestral homeland. In 1945 and after, they poured into Palestine in increasing numbers. Many

[3] John Strachey, *The End of Empire* (New York: Random House, 1960), p. 217.

[4] Arthur J. May, *Europe Since 1939* (New York: Holt, Rinehart and Winston, 1966), p. 429.

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Arabs lived in the area, and claimed the land by possession. The British withdrew in 1948 in favor of the United Nations. That body proceeded to partition the land, a portion of it being granted to the Jewish state of Israel. The Arab countries in general and Arab residents in particular resented and resisted the United Nations action. To the present day, the conflict remains unresolved.

The Thrust of Communism

The most drastic impact of British withdrawal from colonial possessions, along with the withdrawal from theirs of other European powers, has been the thrust of communism. A host of ideologies were promulgated in the nineteenth century, most of them more or less socialistic and all of them erosive of civilization, for they were assaults upon the foundations of civilization — the inherited culture, the learning of the ages, revealed religion, the older institutions, and so on.

The most barbaric of these ideologies — excepting possibly anarchism — was the one promulgated by Karl Marx and Frederick Engels. It is the one that twentieth century communists claim to represent most faithfully. Once in power, communists are, of all socialists, the ones most willing to use force and violence to achieve their ends, particularly on the international scene. They are the ones who have taken advantage most tenaciously of the opportunities for the spread of power opened by the withdrawal of Britain and other colonial powers.

Indeed, there is a close connection between communist doctrine and the abandonment of empires by governments socialistic in character. Marxists have held that empires are instruments for capitalistic exploitation of backward peoples. Western socialists of whatever hue have accepted this charge at face value generally. One writer notes that in England an "idealistic picture of a Socialist Galahad riding to the rescue of the oppressed and enslaved Colonial Empire . . . had been presented in so much Socialist writing before and during the war. . . ." It was not surprising, then, that "to the new generation of nationalist leaders arising in the Colonies it was a system of exploitation built up through the years by which the imperialist oppressors had waxed fat at the expense of backward peoples. Indeed, earlier generations of Socialists had told them so."[5] Western socialists have played into the hands of the communists. Acting

[5] Taylor, *op. cit.*, p. 101.

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on general socialist premises, they have cut away empires as they gained the opportunity, and pressed generally for it to be done everywhere. As they have done so, the international communist movement has moved into these areas thrusting for control and the extension of the totalitarian power of communism.

A New World of Barbarism

The end of the British Empire has been accompanied by the spread of a new barbarism in the world. As Western power has been withdrawn, much of Africa has reverted to tribalism. Much of Asia has come directly under the Hammer and Sickle. Communists vie for power in Arab lands, and disorder spreads from land to land under the revolutionary impetus provided by Moscow and Peking. The security to property which governments once provided has gone from most of the world, and that individual liberty which it so effectively buttressed is in so many places a thing of the past. Britain was once the center from which ideas and practices for securing liberty and property were advanced around the world. This is no longer the case. An England under the pervasive influence of Fabian socialism has lost the power to protect civilization, the vision to discern its lineaments, and the will to take decisive stands against barbarism. The England that once was is no more.

The fall of England is not absolute, of course. It is relative to the powers of other nations, relative to strength and influence once wielded, relative to that place which she once occupied. There remains, of course, the relics of an empire in the Commonwealth of Nations. There remains the relic of British financial leadership in the world in the Sterling Bloc. Indeed, everywhere one examines, there are relics of former greatness: in universities which retain a vestige of former leadership, in a monarchy which is almost purely ceremonial, in a House of Lords which awaits the next blow to its position from Commons, of craftsmanship in such fine names as Rolls Royce, of religion as remain in a still established Church of England, of empire in ceremonial visits to out-of-the-way places by royalty and ministers. The habit of greatness can still be sighted in self-confident ambassadors, in literate if somewhat decadent writers, and even in an occasional will to lead expressed by some Britons. These are, however, faded reflections of glories past, as things stand.

There was even some economic revival in the 1950's and going into the 1960's. The Conservatives

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in power from 1951 to 1964 restored a modicum of domestic tranquillity to the United Kingdom. There was even talk once again of British affluence. The value of the pound was stabilized on the world market in the interim between two socialist governments. The iron and steel industries were denationalized. Controls were already being relaxed in certain areas before the return of Conservatives, and they were much more generally removed thereafter. As rationing ended, so did the shortages it had produced. One historian notes that the "lot of the average English family improved. The 1950's witnessed a housing boom, and by 1961 one family in four lived in a post-World War II dwelling. The scars of war disappeared. . . . The by-products of the affluent society also included increasing numbers of supermarkets and other self-service stores . . . , the general acceptance of an annual two-week vacation for most families, and, by 1962, the ownership of a television set by four families in five."[6] This renewed prosperity, of sorts, should be attributed to the efforts and energy of the English people and almost exclusively to private industry.

[6] Walter L. Arnstein, *Britain: Yesterday and Today* (Boston: D. C. Heath, 1966), p. 363.

The return of Labour to power in 1964 under the guidance of Harold Wilson was the signal for new troubles and an accentuation of old ones. The pound has been devalued once more. The United States has been called on to help shore up the currency. Britain has suffered from the flight of physicians and other professions from a land of severely delimited opportunity. The will to nationalize is no longer very strong; indeed, there appears to be little enough enthusiasm for socialism itself. Yet, its tentacles are firmly fastened on the country.

What of the Future?

The time has not come, of course, to pronounce the fall of England as final. That England has fallen from its former greatness there should be no doubt. Whether that land will rise again to greatness, whether her people will lapse into the kind of historical slumber that has happened to many former great kingdoms and empires, or whether some foreign invader will arrive to smash the relics and drive the inhabitants into mountain redoubts no one can know at this time. The eastern branch of the Roman Empire survived for nearly a thousand years at Constantinople after Rome itself had fallen to the Barbarians. Spain is still a nation-

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state several centuries after greatness has fled. Western Europe has had several rises and falls during the Christian Era, and this is more particularly true of France. There may always be an England, but the issue is by no means settled. There was a time when there was no England, and it may be so again. The islands have been there for ages, but they have had many and diverse inhabitants.

There is a sense in which we can be glad that the present England is not great and powerful. Such influence as a socialist government could give is hardly needed in the world. The welfare state is all too barren and lifeless to provide succor for the spirit of man. If England is to revive and prosper, it will surely be because her leaders and people have some great vision before them, something that appeals not only to the flesh but to the spirit, something that will instill discipline, that will call forth the best efforts of her people. There are, of course, demonic visions as well as good ones. Communism is such a demonic vision, and its prophets now move restlessly over the earth seeking minds to seduce. The British are under the sway of neither such a demonic vision nor of one that could provide again new impetus to civilization.

There is, however, in England's great history both the key to that country's revival and to the recovery of civilization. Surely, all men of good will hope that they will rediscover these great ideas and beliefs and give them vitality once more. ◈

IDEAS ON LIBERTY

International Order

PLANNING on an international scale, even more than is true on a national scale, cannot be anything but a naked rule of force, an imposition by a small group on all the rest of that sort of standard and employment which the planners think suitable for the rest. . . . To undertake the direction of the economic life of people with widely divergent ideals and values is to assume responsibilities which commit one to the use of force; it is to assume a position where the best intentions cannot prevent one from being forced to act in a way which to some of those affected must appear highly immoral.

F. A. HAYEK, *The Road to Serfdom*

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POLITICAL INTERVENTION IN MEDICINE

RICHARD E. HUNT

IN TRYING to define the nature of current problems in human relations it is essential to first define man's basic nature. Behavior then in keeping with this basic nature will lead to harmony and happiness in human existence, the aim of all rational, moral men.

Man is a being of volitional consciousness. He is constantly faced with the choice of thinking rationally or evading reality. Knowledge comes from his conscious perception of his environment, that is the real world in which he lives, concepts are then formed based on reality as it exists and the integration of these concepts leads to advances as yet undreamed of.

We all have only one basic right and that is the right to lead our own life and seek our own happiness. Man has sole, individual responsibility for his actions (his life) and must assume these responsibilities. We are not all equal in any ability. Each one of us is different. Each one of us has strengths and weaknesses in mind and body, and it is immoral for one to gain strength by exploiting the weakness of another; just as it is immoral for one to use his weakness as a claim on another's strength. Only through evasions, lies, and tricks is one able to avoid punishment for his errors and reward for his accomplishments. There is no status quo; there are no guarantees of success; there is no basic minimum; and by the same line of reasoning there are no limits to the productivity of men's minds under a system of free, voluntary cooperation.

Our country was founded to assure "life, liberty, and the pursuit of happiness" for all who would pursue these goals, not for any

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one segment of the population, not just for the politicians, not just for the white people, not just for the Negro people. We all have the right to lead our own lives. All the other things currently referred to as such are not rights. They are privileges. Education, automobiles, medical care, color TV, good housing, etc. are all basically produced by the conscious effort of men's minds and they must be earned by the recipients. If they are not, if they are taken by force, legislative action, lies or tricks from the people who produce them and given to others simply because someone says he needs them, there is the immediate creation of the old slave-master relationship. In this case we have the absurd situation of the producer being the slave of the man who "needs" his product because the government has forced it to be so. The products of men's minds and labor both tangible and intangible are being taken out of the hands of the producers by political intervention in every segment of our lives.

Political intervention is responsible for the moral degradation and misery we are rushing toward. Those people in government who feel they can improve on reality, who feel they can "plan" things and do better than the law of supply and demand are thoroughly evil and immoral because of the inevitable lowering of living standards their planning creates. It makes no difference whether they do this with conscious intent or are merely well meaning but naive. The end result is the same – misery, poverty, lack of respect for law and order, and bloodshed. I hold the politicians who advocate this intervention as well as those who would cooperate with them in the "planning," be they physicians or businessmen, personally responsible for the mess this country is in today.

Most physicians believe in free enterprise. They recognize that the affluence and high standard of living which Americans and others in the free world enjoy today is due to voluntary cooperation of thoughtful, rational men in a free market. The high standard of medical care we have today is due to the freedom under which we have practiced in the past, and most patients realize this, too. We are traders in a free market. We trade services for money which represents the productivity of our patients in their respective fields. Because our services are so important, we occupy a position of relatively greater influence in our society. We are well educated and do our best for our patients because it is in our rational self-interest and the interest of our pa-

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tients to do so. We are not infallible. We are men, not gods. We make errors and we do our best to learn from them. But today the malpractice suits against doctors are attempting to penalize physicians for not being infallible! The grotesqueness of this travesty of justice staggers the imagination of any rational man.

Many people feel today that capitalism is good for the rich people, for the "Wall Street financiers" or for the privileged and that capitalism is designed to keep the poor people in a position of subservience and poverty. Nothing could be further from the truth. This is a lie which has been furthered and nurtured ad nauseam by every collective political system in history both current and past. I refer now to the Nazis, all forms of communism or socialism, and to the welfare statists and social planners in this country today. The truth is that capitalism is the only system which has ever given every citizen a chance to improve himself and puts a stop to coercive monopolies which tend to fix prices and wages thereby insuring that those in a lower economic position will never be able to improve their lot. Coercive monopolies, price and wage fixing, and poverty are results only of governmental interference. There is no other way it can be done except by legislation. The free market operates in exactly the opposite way and is therefore the only moral choice for rational men to make today.

With the above in mind it is with intense regret that I see the medical profession publicly demonstrate its willingness to cooperate in governmental schemes which overtly claim to have interest in improving medical care. You doctors are in error who say that if the medical profession supports and collaborates with these governmental health programs, they will succeed in improving the quality of medical care. This is another way of saying that if the programs fail to live up to the great expectations of the politicians, it will be the physicians who are to blame. The programs were doomed to failure as efforts to benefit mankind just as every other socialistic plan has caused poverty, misery, and bloodshed in the past. Only naive men would accept such blame and guilt. We as physicians in our own self-interest and that of our patients should never accept such a position whether it is placed on us by the government or by another physician. We must place the guilt where it belongs — on the men who drew up the laws and on those who support governmental interference in the practice of medicine. ◈

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HONG KONG

A CASE STUDY IN MARKET DEVELOPMENT

SUDHA R. SHENOY

WITHIN the past twenty years Hong Kong has grown from a minor trading port into a center of manufacturing, with exports to some seventy nations round the world. Hong Kong seems to have found a formula for development that is not widely understood.

The number of industrial establishments in Hong Kong rose from 947 in 1947 to 9,301 in 1967, the number of employees during that same period rising from 51,627 to 431,973.[1] Exports of manufactured goods in 1965 were 4½ times the 1953 level. By all such tests of growth, Hong Kong compares most favorably with the United Nations' target rate of 3.5 to 5 per cent a year. It may be added that Hong Kong has never experienced the chronic shortage of exchange earnings supposed to typify underdeveloped countries.[2]

Cotton manufactures have remained the staple among export items, accounting for as much as two-thirds of the total in earlier years, but down now to about 55 per cent. Initially, simple knitted goods, piecegoods, and yarn formed the major part of these exports, but the industry has rapidly diversified to the manufacture of a large variety of clothing and the more highly finished textiles. Recent exports include woolen knitwear, brocades, carpets, and lace. Textile machinery, originally man-

[1] These statistics, and much of the information in the following paragraphs, have been taken from the *Annual Reports* of the Director of the Department of Commerce and Industry, Hong Kong, 1948-49 to 1964-65; and the *Annual Reports* of the Commissioner of Labour, Hong Kong, 1946-47 to 1966-67. I am also indebted to E. F. Szczepanik, *The Economic Growth of Hong Kong* (London: Oxford University Press, 1958).

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[2] Cf. J. Bhagwati, *The Economics of the Under-developed Countries* (London: Weidenfeld and Nicolson, 1966), ch. 18.

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ufactured just for local use, is now being produced for export as well.

Such items as firecrackers, Chinese foodstuffs, and bamboo manufactures once formed a major part of the export list. But by 1955, a wide range of consumer goods were being manufactured, including torches, nylon gloves, electric clocks, and enamelware. Current exports have moved further into the industrial range: plastics, cameras, transistor radios, air conditioners, water-heaters, light machinery (such as pumps and generators), and precision engineering products (e.g., watch parts and aircraft components) are now made in Hong Kong.

Hong Kong's shipbreaking industry is the largest in the world. At first, the scrap was utilized in the local construction industry; but this, too, is now being exported. With the development of the shipbuilding industry, yachts, and trawlers were exported, mainly to the United States. Tugs, lighters, and barges were built for Borneo, Kuwait, and Ceylon.

Hong Kong's industrial development thus proceeded along classic lines, from the simpler consumer goods to the more sophisticated varieties; from light industrial products to the intermediate types. Hong Kong has never suffered from inability to import heavy industrial goods, which supposedly hampers the development of many areas.[3] Nor is there a Five- or a Ten-Year Plan or other such centralized resource allocation in Hong Kong. Indeed, no government "planner" might have expected Hong Kong to set an example of rapid development. It has few, if any, of the textbook preconditions for successful development.[4] The domestic market for many of its exports is narrow or nonexistent. It has no natural resources (with the exception of an excellent harbor), and no coal, oil, or other domestic fuel supply. The tillable area – 13 per cent of a total of less than 400 square miles – is of poor quality. Hong Kong thus has to import virtually all its food, fuel, and raw materials. Even drinking water is pumped in from China.

No Tools for Planning

The Colony has other handicaps from a planner's point of view: it lacks some of the most elementary government statistics and other guides for control over the economy. Figures on registered industrial employment and daily wage-rates began to be collected in 1947. Trade figures were added the fol-

[3] Cf. J. Bhagwati, *op. cit.*

[4] Cf. G. Meier and R. Baldwin, *Economic Development: Theory, History, Policy* (New York: Wiley, 1959), ch. 16.

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lowing year. A Retail Price Index was constructed in 1953 and an Index of Wage Rates the following year. But there are still no official national income estimates, or even an Index of Industrial Production. There are no official balance-of-payment figures, no restrictions on trade and payments, no export duties, no central bank; banking regulation is negligible. Consequently, the government simply has no basis for applying the various fiscal, monetary, and other measures recommended in most modern textbooks on public finance and development.

For most of the past twenty years, the highest income-tax rate was 12½ per cent (currently 15½ per cent); taxes on earnings and real property, and import duties on a narrow range of commodities (chiefly tobacco, wines, and drugs) are the main sources of revenue. Up to 1955, primary education (which is not compulsory), subsidized housing, basic medical services, and other "welfare" items accounted for slightly more than one-third of total government expenditure, with an equal proportion being spent on roads, water supply and other "economic" services. By 1968, "welfare" expenditures had risen to two-thirds of the total, the total having increased from an average of HK $271 million in the years 1948-55 to HK $1,800 million in 1968. (U.S. $1.00 = H.K. $6.00.) The increased provision of such services was made possible by rising productivity.

Hong Kong has no minimum wage legislation, a negligible amount of labor legislation, and only a few very weak unions. Yet, take-home pay doubled between 1958 and 1967. The retail price index rose only 9 per cent in the interim, so this represented a substantial increase in real earnings. Living standards rose significantly, as exemplified at a basic level by changes in diet. Per capita rice consumption fell, while its quality improved, and more meat and vegetables were consumed. Imports of frozen meat rose from 26,000 tons in 1955 to 121,000 tons in 1965. Hong Kong thus combined rapid economic growth with a rise in living standards.

Quotas and Restrictions

Hong Kong's development has proceeded entirely without government-to-government "aid." Indeed, other governments have sought to curb their imports of goods manufactured in the Colony. The first quotas were imposed in 1954, by the governments of the U.S.A., Pakistan, and Thailand. The next year a number of South-East Asian governments followed suit, but Hong Kong manufactur-

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ers switched to markets in Africa and Latin America. In 1958, the U.K. government imposed limits on imports of textiles and clothing manufactured in Hong Kong; the U.S. government began limiting such imports in 1963.

The story behind these last restrictions is revealing. It begins with the so-called agricultural price support policy of the U.S. government, which among other things, maintains the domestic price of U.S. cotton above the world level. The Department of Agriculture, then finding itself laden with "excess" supplies of cotton, added an export subsidy to offset the price support. Meanwhile, imported textiles were beginning to replace U.S.-made textiles in U.S. markets, as foreign manufacturers bought cotton (including American cotton) at world – not U.S. – prices, while their labor costs were well below the American level. American manufacturers turned to Washington for protection against losses; and, in 1961, a "countervailing" import duty was imposed – to offset the export subsidy to offset the price support. Hong Kong textiles, however, sold so well despite this additional burden that import quotas were placed in 1963. Hong Kong manufacturers have responded by improving the quality of their exports.

Other countries restricting Hong Kong imports by means of heavy duties, quotas, and the like include Australia, Canada, France, Ghana, New Zealand, Nigeria, Norway, Rhodesia, Singapore, Switzerland, Tanzania, Uganda, and the West Indies.

Laissez-Faire

How did Hong Kong achieve all this? It has been suggested that the availability of capital and the presence of a large refugee population – obviously possessed of a certain amount of get-up-and-go are perhaps the two chief factors contributing to Hong Kong's success.[5] But those individuals who came as refugees to Hong Kong possessed their enterprising qualities even before they arrived; nor does a waterless rock off the Chinese coast offer the best prospects for investment. The difference lay in the economic environment, in the free markets created by policy: "Almost complete *laissez-fairism* unleashed human potentialities, paralysed in other countries by elaborate control systems."[6] The government made no attempt to impose or preserve any particular resource allocation, but provided instead the stable legal, fiscal, and monetary framework

[5] Cf. *The Economist* (London), 19 October, 1968.

[6] E. F. Szczepanik, *op. cit.*, p. 65.

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that the market requires for optimal functioning. This use of the pricing system meant the full utilization of the empirical knowledge of ever-changing circumstances, which can never be centralized, but is only available scattered among individuals.[7] Resource allocations were thus determined, via profit and loss, by international consumer preference.

Hong Kong's economic growth was part of this general process. Investment in directions where returns were rapid and large meant that output and thus real incomes were raised rapidly; this, in turn, made higher saving and investment possible – but in continuously more sophisticated types of machinery, which permitted not only further increases in production but also diversification of output. Resources were thus created where none existed before.

One fundamental point must be stressed: the course of Hong Kong's development could scarcely have been predicted *before* it occurred, even on the basis of a detailed knowledge of the past growth of the now-developed nations. No one, in 1947, had any idea of what a developed Hong Kong might look like! It was only by the market process that this, in fact, became evident.

This logic is capable of wider application. In 1750, on the basis of the knowledge available then, it would hardly have been possible to "plan" in advance for the development of the North Atlantic region. Both North American and Western Europe were still relatively underdeveloped, and no one knew, in concrete terms, what shape any development might take! This illustrates the contradiction in what is termed "planned economic development": since we do not know what a developed Africa, Asia, and Latin America might look like, we are necessarily limited to planning for the reproduction of what has already been achieved, in the past, elsewhere! The market process, on the other hand, sets no such limitations; it is adapted to the realization of hitherto latent and unknown possibilities. Inasmuch as the underdeveloped nations represent, as it were, a vast realm of such unrealized potentialities, it is above all essential in these areas to create the environment for a market economy.[8] ◈

[7] See F. A. Hayek, "The Use of Knowledge in Society" and "The Meaning of Competition," in *Individualism and Economic Order* (London: Routledge and Kegan Paul, 1949).

[8] See F. A. Hayek, *Competition as a Discovery Procedure* (forthcoming publication by the Institute of Economic Affairs, London) and his remarks in *What's Past Is Prologue* (Irvington, New York: Foundation for Economic Education, 1968).

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THE STRANGE WORLD OF Ivan Ivanov

SECRETARY of Defense Melvin Robert Laird picked himself a good man when he asked Professor G. Warren Nutter of the University of Virginia to become his chief adviser in the Pentagon on the economic potential of those nations which we must assume will be our enemies should any major war develop. The latest proof of Nutter's soundness as a thinker and researcher is a little book called *The Strange World of Ivan Ivanov* (World Publishing Co., $5), which contrasts the life of an average head of household in Soviet Russia with that of John Doe, average American.

The book has a score of good features, not the least of which is Professor Nutter's love for a humorous story. But what makes it really noteworthy is that Professor Nutter is not fooled for a minute about the meaning of the Soviet menace. The Russian economy creaks and groans at every joint; it can't satisfy human desires for the good life. But this same economy, which turns out a gross national product that is about a third of our own, manages to support a fearsome military establishment. Professor Nutter is able to report both sets of facts, the economic and the military, to his boss, which means that nobody in high executive place in Washington should be misled about Soviet capabilities.

Ivan Ivanov, the Russian common man, gets the short end of the stick precisely because his rulers regard intercontinental ballistic missiles, an ABM system, submarines, tanks, MIG planes, and a huge standing army as top priority matters. But it is an old story that totalitarian governments can only produce for war. You can't plan to produce for peace, for peace assumes almost as many personal objectives as there are human beings. One man will want a car, one a special kind of house, one the leisure to go fishing instead of behaving like an economic man. There is no way of catering to this sort of thing except by a free market system,

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which, by definition, a totalitarian state cannot tolerate and still hold on to its monopoly of power.

Being a Mont Pelerin economist, Warren Nutter understands this thoroughly. He isn't surprised that the Soviet economic strength, or lack of it, is a poor gauge of its military power, and vice versa. He tells a story about a Western military aide watching a Soviet aircraft battery in action in World War II. The man was fascinated by the accuracy of the guns and the skill with which they were handled. When the action was over, the aide tried to light his pipe with Soviet-made matches. A dozen of them broke. Throwing the remaining matches to the ground, the exasperated fellow turned to his companion and asked, "How can people who make and man guns like those produce matches like these?"

This is the Soviet economy in a single joke. It's something to worry about in war. But it will never, never catch up with the West in times of peace.

Tied to the Land

Agriculture in Soviet Russia is incredibly inefficient. It uses a labor force nine times that of ours, yet manages only to produce an output some 70 or 80 per cent as large. There are one hundred acres of arable land for every tractor in America as compared with four hundred in Russia. The Soviet peasant keeps the Russian cities fed from his little private plot, which he is permitted to keep by a Communist Central Committee that knows famine always follows when the private plots are abolished. Countrymen in Russia are not permitted to move into the cities without special permit; if they were not, to all intents and purposes, serfs, bound to the soil as much as any peasant in the times of the czars, there would be a mad rush to get out of the villages. Only the industrial workers in Russia are allowed to quit their jobs. The result is an annual turnover of 22 to 30 per cent. The Soviets can't admit there is any unemployment, since everyone is supposed to work. But in the large cities there is actually an unemployment rate of 8 per cent, while 25 to 30 per cent of the population are normally without jobs in the small and medium-size cities.

The "general welfare" of Ivan Ivanov is a travesty of the phrase. By our standards, says Professor Nutter, Ivan lives in a slum and enjoys a standard of life half-way up to the U.S. poverty line. The U.S. has 1.4 automobiles per family; the Soviets have two cars for every 135 families. In America there are 480 telephones per

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thousand persons; in Russia the figure is 30 per thousand.

How Freedom Is Curbed

Material wealth, of course, is not everything. But Ivan Ivanov does not enjoy the blessings of liberty in his slum. If he wants to write, he is up against a state monopoly of everything from newspaper presses to book publishing companies, to say nothing of the forests that provide the material for paper. Russian authors who permit their work to be published abroad without Central Committee permission are still jailed, even as in the days of Stalin. If Ivan Ivanov wants to join his fellows in a crowd, it had better be for a government purpose, such as demonstrating before the Red Chinese Embassy or assembling on May Day to watch the soldiers file past.

Attendance at church is permitted; but if Ivan Ivanov is not an atheist, he can't hope to join the Communist Party. Ivan has a democratic right to vote, but the candidates he is asked to support are all designated by the government. Ivan's son goes to school, but his textbooks are centrally selected, and his literacy permits him only to read the party press and such ancient classics as are deemed politically safe. (He can, of course, listen to foreign broadcasts, but he had better not act on anything he hears.) Since neither Ivan nor his son can have any private property beyond a few bonds and personal effects, no private defenses can be rigged up against the state.

The upper classes in the Soviet Union, meaning the big bureaucrats, army officers, and party functionaries, get the best of everything, from country villas to choice seats at the ballet. But Ivan Ivanov can only look at the good things of life from afar. He must shop at the state stores, he must apply for housing from the state, he goes to state schools for education. If Ivan Ivanov lives in a city, it will be in a space that is unbelievably confined. On an average, there are 2.3 persons living in each room in the Soviet cities.

So it goes inside Russia. It is small wonder, then, that the satellite countries such as Hungary and Czechoslovakia hunger to return to their old Westward orientation. The Soviets are bound to extend their tyranny outward, or the communist bloc would completely disintegrate.

If it were just a matter of economic competition, the West would have nothing to worry about. Unfortunately, the Communists know how to subvert. And they have achieved "nuclear parity" with us, which means that we can't laugh them off. ◈

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▸ EDMUND BURKE: A GENIUS RECONSIDERED by Russell Kirk (New Rochelle, N. Y.: Arlington House, 1967), 255 pp., $5.

▸ THE SPECIOUS ORIGINS OF LIBERALISM: THE GENESIS OF A DELUSION by Anthony M. Ludovici (London: Britons Publishing Company, 1967), 192 pp., $4.

Reviewed by Edmund A. Opitz

NO BOOK about Burke is a substitute for reading the man himself; but it is helpful to have a manual which supplies a ground plan, so to speak. We need to know something about Burke's life and career; his education, intellectual lineage, and major preoccupations. Russell Kirk has written a fine primer, which may also be read with profit by anyone wishing to assess Burke's contribution to the stock of Western thought about man and society. Burke's genius was evoked by the events which engaged his professional political interest; by the growing tension over the American Colonies, by the British in India, and especially by the revolutionary events in France.

Burke was a public man and most of his literary efforts were in the form of speeches occasioned by issues which no longer concern us; but to the examination of these issues Burke brought a powerful mind, a set of enduring principles, and a richly stocked background of historical knowledge. His Speech on Conciliation with the American Colonies is part of our history, and so is the Speech on American Taxation; but they are of more than historical interest. Viscount Morley once observed that these two speeches, plus Burke's Letter to the Sheriffs of Bristol, ". . . comprise the most perfect manual in our literature, or in any literature, for one who approaches the study of public affairs, whether for knowledge or for practice."

Then there is the long and prescient work on the French Revolution. Many people, then and now, view the upheaval in France as a movement of emancipation, and Burke, too, championed liberty. "It is our inheritance," he wrote. "It is the birthright of our species. We cannot forfeit our right to it but by what forfeits our title to the privilege of our kind." Why then did he oppose the French Revolution with all the vigor at his command? Because he viewed these events as unleashing a set of ideas which are hostile to liberty. Majoritarianism or popular sovereignty appears to remove the old shackles which have hamstrung "the people," only to replace them with new restraints

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on individual persons – in the name of "the people"! Thus emerges totalitarian democracy with tyranny over each in the name of all.

Burke opposed the theoreticians who regarded society as a mere mechanical arrangement of parts, to be disassembled at will and slapped together again according to some late model speculation. He did not, however, slip into the opposite error of supposing society to be an organism; but society is somewhat analogous to a living thing in that social change is not to be accomplished on the instant by a kind of surgical transplant technique. We of the modern world have had sufficient experience with revolution, one would think, to know that this crude method at best gets rid of a few rats by burning down the barn. People are involved in any kind of social change; and if persons are not to be violated, development and progress in society must be accomplished prudently and by almost imperceptible degrees under the radiating influence of ideas. This insight, and the patience that goes with it, is what Burke instills in a reader.

If we were to paste today's label on the system Burke opposed it would read "Liberalism." This body of doctrine has been ably criticized in recent years, but Mr. Ludovici manages to drive in a few shafts from his own unique perspective. This man, in his ninety-first year, and with a score of books behind him, is a much neglected thinker. He's an aristocrat who is critical of European aristocracies, an artist who has watched the world grow uglier, an individualist in an age of mass man. The modern world will not like what this gifted man says about it, which is one measure of the importance of hearing him out. ◈

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